

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Jonathan Orszag to Lowell A Weiss at 14:36:02.00. Subject: Re: trade stats for afl-cio speech. (1 page)	09/16/1997	P6/b(6)

COLLECTION:

Clinton Presidential Records
Automated Records Management System [Email]
OPD ([AFL-CIO])
OA/Box Number: 250000

FOLDER TITLE:

[06/23/1997 - 09/25/1997]

2013-0306-F
ab1179

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Nicole R. Rabner (CN=Nicole R. Rabner/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:23-JUN-1997 14:58:40.00

SUBJECT: adoption/child care

TO: Jennifer L. Klein (CN=Jennifer L. Klein/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Were you going to ask Mary for the memo for HRC on the two adoption bills or was I? I remember that you have a call in to her, so if you speak to her, please mention it.

Also, Katy set up a mtg with Bruce and Gene on adoption for noon in Bruce's ofc tomorrow. She works wonders, that Katy.

And the Karen Nussbaum, AFL-CIO mtg tomorrow at 11am on child care is being moved to sometime in the afternoon -- Katy will let us know.

**Clinton Presidential Records
Automated Records Management System
[EMAIL] and Tape Restoration Project [Email]**

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies a responsive email, already made available within another FOIA request.

Bucket: OPD.

Creation Date: 1997-07-02.

FOIA: 2000-0016-F.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Todd Stern (CN=Todd Stern/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 7-JUL-1997 19:08:47.00

SUBJECT: meetings

TO: Daniel K. Tarullo (CN=Daniel K. Tarullo/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Dan -- I'm doing a round of short base touching meetings with the three main business coalitions, the enviros and the AFL-CIO this week. Mostly to let them know I'm here and what I'm doing and to signal increased White House involvement, etc. Dave Smith called me this afternoon to ask what my meeting was about and mentioned that he was meeting with you as well. I don't see this as any big problem, but, since I don't want us to project a sense of uncoordination, I thought it would make sense for me to run through with you who I'm meeting with. If you have any interest in joining those meetings, which I doubt, you'd certainly be welcome, but I thought it would at least be good for you to know what I'm doing and vice versa. So give me a call when you can. Thanks. tds

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 9-JUL-1997 15:21:00.00

SUBJECT: NewsHour -- NAFTA Report

TO: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Jake Siewert (CN=Jake Siewert/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

The contact at the NewsHour is Scott Tomg -- (703) 998-2139. He said they needed an answer by Friday morning. Gene is aware of the request. Also on the show may be Raul Hinojosa, NAFTA expert from UCLA, Harley Shaken from Berkely and/or Theo Lee from AFL-CIO.

NOTE: Friday at 5:45, Jackie Calmes is scheduled to come in.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-JUL-1997 13:24:02.00

SUBJECT: Newshour/NAFTA Report

TO: Lael Brainard (CN=Lael Brainard/OU=CEA/O=EOP @ EOP [CEA])

READ:UNKNOWN

TO: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Jake Siewert (CN=Jake Siewert/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Scott Tomg over at the Newshour is looking for confirmation today or tonight. He can be reached at (703) 998-2139 (w) or at (703) 518-3060 (h).

They have confirmed Hinojosa from UCLA and Theo Lee from AFL-CIO. They weren't sure whether they were going to include Harley Shaken.

They were planning on doing this in a single segment. We would have to be fairly strong on pushing for two segments.

Jake: I told Scott to call Stuart as well.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-JUL-1997 13:36:43.00

SUBJECT: Newshour/NAFTA Report

TO: Lael Brainard (CN=Lael Brainard/OU=CEA/O=EOP @ EOP [CEA])

READ:UNKNOWN

TO: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Jake Siewert (CN=Jake Siewert/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Also, it will be live: 6:00 There may be a chance of doing it from the
OEOB but they said it would be better to do it from the studio in
Shirlington.

----- Forwarded by Russell W. Horwitz/OPD/EOP on 07/10/97
01:26 PM -----

Russell W. Horwitz

07/10/97 01:23:33 PM

Record Type: Record

To: Jake Siewert/OPD/EOP, Lael Brainard/CEA/EOP, Melissa Green/OPD/EOP

cc:

Subject:Newshour/NAFTA Report

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Barbara D. Woolley (CN=Barbara D. Woolley/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-JUL-1997 19:31:10.00

SUBJECT: Request for Meetings/Phone Calls - Conference

TO: Sarah A. Bianchi (CN=Sarah A. Bianchi/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

TO: Christopher C. Jennings (CN=Christopher C. Jennings/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

I realize this is a very bad week. Are you interested in any of these meetings?

1. Telephone call, 10 minutes, with Presidents Dan Sisko (New York Hospital Assn) and Duane Dauner (Calif Hosp Assn). Purpose to discuss Medicaid and DSH formula. Yes or No.

2. 30 minute meeting with AFL-CIO-Peggy Connerton, Jerry Shea, Jim Ray, Allen Reuther regarding conference. Purpose: Kids Health (here's your labor), Medicare - Means testing, Copays, 65-67 issue; Medicaid - DSH. Yes or No.

3. 30 minute meeting with 12 representatives of the Patients Coalition to discuss FDA Reform. This could get moved to next week, however, they understand the legislation could come to the floor at the end of the week.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jake Siewert (CN=Jake Siewert/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:14-JUL-1997 09:24:34.00

SUBJECT: PBS: News Hour with Jim Lehrer, 7/11/97

TO: Lael Brainard (CN=Lael Brainard/OU=CEA/O=EOP @ EOP [CEA])

READ:UNKNOWN

TEXT:

See below; Mickey vs. AFL-CIO on NAFTA.

Spoke with Jay this a.m. about drafting a response to the Bonior op-ed in the Times. The antis aren't wasting any time.

----- Forwarded by Jake Siewert/OPD/EOP on 07/14/97 09:28 AM -----

Dag Vega

07/14/97 07:02:30 AM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject:PBS: News Hour with Jim Lehrer, 7/11/97

News Hour with Jim Lehrer:

SHIELDS & GIGOT AND NAFTA: GOOD DEAL?

Aired on JULY 11, 1997

Our pundits analyze the campaign finance investigations that began this week in the Senate. They spar over whether the committee is really addressing the issues or simply playing party politics. Will any reform actually take place this session?

JIM LEHRER: Shields & Gigot, syndicated columnist Mark Shields, Wall Street Journal columnist Paul Gigot. Mark, the Senate campaign finance hearings, your assessment after the first three days, sir.

MARK SHIELDS,
Syndicated Columnist: Well, Jim, I think that for those who are looking for the knockout of the White House, those who are hoping it would bring Bill Clinton down to earth, that hasn't happened. Democrats were hoping they would dodge the bullet. Clinton folks got out of it without any serious bodily damage, but for those who really are hoping that after 25 years we ,ll get some

real campaign reform, I think it was a disappointment as well. I mean, the case didn't seem to be made. It struck me that Richard Sullivan, the first witness, didn't--

JIM LEHRER: And the only witness so far.

MARK SHIELDS: The only witness. He didn't fit the bill of the heavy. He didn't look like--

JIM LEHRER: He was the former DNC, Democratic National Committee finance director.

MARK SHIELDS: Exactly. But he didn't wear the cufflinks and come in in a white on white shirt, look like somebody out of a road company of Guys and Dolls, as a lot of finance people do in politics. And I thought that the chairman of the committee, Fred Thompson, set the bar pretty high by saying Chinese penetration early. I mean, at that point--

JIM LEHRER: That was his opening--in his opening statement.

MARK SHIELDS: Opening statement. And so I guess I was--I'm still hopeful but a little disappointed.

JIM LEHRER: Hopeful and disappointed, or what words would you use, Paul?

PAUL GIGOT, Wall Street Journal: Richard Sullivan, the witness, probably could have stood two hours, not two days of testimony. He did say some interesting things. He demonstrated, testified that there was an extraordinary amount of interest at the White House presidential level. Harold Ickes, a key White House political aide, by the President, himself, in hiring John Huang, the fund-raiser, who was in some ways at the center of all of this concern. That was interesting. There were other details that were there, but it was a pudding without a theme. And you have to have--to make this dramatic in an age of short attention span theater, which our politics is, you have to have a theme.

JIM LEHRER: Is that all that politics is? I mean, is it drama criticism now, rather than political and substance criticism?

PAUL GIGOT: I'll tell you, I'm really disappointed by our fellows in the press on this, because in many ways it was the press that put this story through scoops on the front pages and made this a news story. And now when you have Congress trying to fulfill one of its major constitutional jobs, which is oversight

of the executive, and finding out what happened, we say it ,s too boring; it ,s too complex. We don ,t--so--and besides, our polls show us the public doesn ,t care. Well, our job is to write and explain it in a way that maybe they will.

MARK SHIELDS: Paul makes a good point, Jim. I would say that if there was a tactical error that was made by the committee, it was not beginning the hearings the first week in August. The committee had to be on television to tell that story. I think it ,s a terribly important story. I think the--

JIM LEHRER: It ,s hard to do it with clips.

MARK SHIELDS: It ,s hard to do it with clips.

JIM LEHRER: With sound bites.

MARK SHIELDS: And C-Span, which has become the cable channel of record, is committed to carrying both the House and the Senate. Well, the House and the Senate this week were having very important and long sessions and a lot of key votes. And so when you start the replay at midnight and you ,re playing to chronic insomniacs and a few folks in Portland, Oregon, I mean it ,s tough.

JIM LEHRER: Paul, what about Mark ,s point about Thompson beginning with this opening statement about China?

A lot of people said, hey, what ,s he up to? He issues a statement, then he says, I ,m sorry, it ,s all classified; we can ,t talk about it.

PAUL GIGOT: I thought it was strange and frankly the reverse of what the real problem is. He said the problem is China was trying to influence American politics. That ,s not news. Taiwan tries to influence American politics; Israel. A hundred and fifty countries--

JIM LEHRER: Long list, long list.

PAUL GIGOT: The problem is--

JIM LEHRER: And we try to influence their politics.

PAUL GIGOT: That ,s right at some time--

JIM LEHRER: We ,re all in the game of influencing each other ,s politics.

PAUL GIGOT: The question is, the more fundamental issue is, why are--was our

foreign policy for sale? Why were we available, if we were, to be purchased or influenced? And so it ,s our problem, not their problem, and in a curious reversal and frankly put the bar very high, as Mark put it, to try to prove espionage on the part of the Chinese, how are you going to do that?

JIM LEHRER: Yes. Mark, what ,s your critique of how the Democrats have played this so far, particularly Sen. Glenn, who ,s the minority ranking member of this committee?

MARK SHIELDS: Well, I mean, if the Democrats see their task in this, Jim, to keep, deflect criticism, body blows from the White House, then they succeeded this week. If they wanted to have the bipartisan hearing to really get some legislation written, as so many of them insist they do, I don ,t think their cause was advanced at all. But John Glenn brings to it a very special credibility and legitimacy because he hasn ,t been a partisan in the past, and, if anything, I mean, he showed himself to be a political skilled, more skilled political in-fighter this past week than most people have ever given him credit for.

But at the same time, it strikes me that there ,s nobody emerging in this committee--and admittedly, it ,s early--as the Howard Baker figure, as the Lowell Wycker figure, as the Sam Ervin figure, sort of the person that says the national interest takes precedence over my party ,s well-being. I mean, I think you see the Republicans on the committee, by contrast, look like piano players at a house of ill repute. Oh, my goodness, these things are going on upstairs. I had no idea of that.

I mean, Don Nickles of Oklahoma is disingenuous, talking about making calls for government property for fund-raising, while he ,s out sending fund-raising, dunning letters to people to come to a big fund-raiser at Vice President Quayle ,s house. I mean, there ,s an awful lot of posturing going on here.

JIM LEHRER: Paul.

PAUL GIGOT: Hats off to one Democrat, I think. Joe Lieberman, a Connecticut Senator, is the one Democrat on that committee who is actually showing interest in finding out what happened. Every other one couldn ,t--

JIM LEHRER: Would you agree with that?

MARK SHIELDS: I give credit to Joe Lieberman. What Republican do you think is trying to find out?

PAUL GIGOT: Well, this is about trying to find out what happened in 1996. We ,ll get to Haley Barbour and the Republicans, believe me, and Mark will make sure they do, but the point is that if this is about finding out, as it should be, whether U.S. foreign policy was for sale, what was going on in 1996, you would think the Democrats on the committee would show some interest in it. Instead, what you ,ve seen is John Glenn saying--trying to compare Haley Barbour, what he did, spending almost all of his introduction--

JIM LEHRER: Haley Barbour was chairman of the Republican National Committee who had--up until about a few months ago.

PAUL GIGOT: Who may or may not have raised some foreign money for a third rate think tank with the President of the United States, a sovereign power, to influence U.S. foreign policy towards China and Most Favored Nation status, and a variety of other things, you would think Haley Barbour was the commander in chief. There is no moral equivalence between the two and we shouldn ,t--and yet he spends his time making that argument, which is a very cynical argument, because he knows the public out there is cynical about politics, and he plays right into that.

JIM LEHRER: And you ,re saying--so what ,s the message when he does that?

PAUL GIGOT: The message is the President isn ,t a problem; we ,re all the problem. Everybody ,s crooked, so ignore the details and ignore accountability.

MARK SHIELDS: And the fact of the matter is that the system stinks. The soft money stinks; \$600,000 contributions stink; and they stink, and there was more soft money raised by the Republicans than there was by the Democrats. And what Bill Clinton and Al Gore did was beyond anything that ,s been done in my lifetime since Richard Nixon. Make no mistake.

PAUL GIGOT: I agree with that.

MARK SHIELDS: But the Republicans have been at this, and to pretend, to sit here and pretend that somehow it was one party and Bill Clinton and Al Gore in 1996 is just begging the truth.

PAUL GIGOT: But that ,s not the point I ,m making. The point is that we ,re going to get to Haley Barbour--

MARK SHIELDS: It isn ,t a question of getting to Haley Barbour. It ,s the system is full of pollution.

PAUL GIGOT: But, wait a minute. If the system is--if this is only about campaign finance reform, then the question how your government behaves gets off the table, because then we ,re looking toward the future. We ,ve got to find out what happened--

JIM LEHRER: In other words--

PAUL GIGOT: --before we can know how to fix it.

JIM LEHRER: --the system made me do it is the Democratic defense.

PAUL GIGOT: If everybody is responsible, then nobody ,s behavior is responsible.

JIM LEHRER: What about the specific question of John Huang? On the table, should he be granted immunity so he can testify, what ,s your view of that?

PAUL GIGOT: It was a very sly request because what he said is basically, grant me limited immunity basically on those things that I ,m likely to be charged with, if I ,m charged, but not on espionage, which is virtually impossible to prove in any case. So I think the committee was right to say wait a minute, we ,ve got--because Joe Lieberman put it well at the end of a debate on this in the hearing when he said, look, it ,s one way to stop this kind of behavior is to have reform, but another way is to punish people who actually exceed the boundaries--to be accountable for their own behavior. And that means if you have to prosecute, if they warrant prosecution, prosecute them, and that immunity would run the face of that.

JIM LEHRER: Mark.

MARK SHIELDS: Let me make one point clear. I am not defending, apologizing, rationalizing what the Clinton-Gore campaign did. I ,m not pretending that anybody walks in who ,s ever been around a nun of any denomination and says that she ,s lived all her life and spent all those hours in prayer and deep concentration and charitable

acts to raise \$5,000 to give to a presidential campaign. No. But Jim, the key is a wonderful Jewish proverb--with money in your pocket, you are handsome, you are intelligent, and you sing well too. And that ,s exactly what the story is of American politics. Politicians and people who run for office, as John McCain said to me this week, the first thing you ask anybody who wants to run for office is, can you get the money, and he said that--

JIM LEHRER: Not what you believe.

MARK SHIELDS: Not what you believe.

JIM LEHRER: Not what you would do if you ,re elected.

MARK SHIELDS: What you like, what do you believe, what have you done--

JIM LEHRER: Who are you?

MARK SHIELDS: That ,s it: Can you get the money? And that ,s it, and that ,s the central--that is the message that ought to be delivered.

JIM LEHRER: Is that going to change as a result of the Thompson-Glenn hearings, et al hearings?

PAUL GIGOT: No.

MARK SHIELDS: I ,m still hopeful. I really think there ,s going to be--through the efforts of people like Chris Shays, a Republican from Connecticut, and John McCain and Marty Meehan and Russ Feingold, I think there will be a vote on soft money this year.

PAUL GIGOT: Oh, there will be a vote.

MARK SHIELDS: And I think--I think--

JIM LEHRER: There will be a vote, he said.

MARK SHIELDS: I think we can get--I think we can get to it.

JIM LEHRER: Okay. We ,ve got to get out of this right now. Bye.

NAFTA: GOOD DEAL?

In a newly released report, the Clinton administration says after three years, the North American Free Trade Agreement (NAFTA) has had a "positive" impact on

the U.S. economy, albeit "modest." But trade experts disagree vehemently

whether or not this is actually true. Margaret Warner leads a discussion.

MARGARET WARNER:

Today the Clinton administration issued its assessment of NAFTA ,s first three years, saying the trade agreement had a "modified effect" on the

U.S. economy. Among the good news cited by the administration on jobs NAFTA has created 311,000 new export-related jobs, 122,000 in trade with Mexico, the rest in trade with Canada. On wages, NAFTA-related jobs pay 13 to 16 percent more than the national average. And on exports, U.S. exports to Mexico rose by 37 percent.

Here to debate NAFTA ,s impact are Mickey Kantor, Former U.S. Trade Representative, and Commerce Secretary, who helped negotiate NAFTA--he ,s now an attorney in Washington; and Thea Lee, Assistant Director for International Economics at the AFL-CIO.

Ms. Lee, the most contentious issue when this country debated NAFTA four years ago was jobs. Labor said hundreds of thousands of jobs would be lost. Free traders said the opposite would occur. Many, many new jobs would be created. Who was right?

THEA LEE, AFL-CIO:

Well, we think we were right, and if you use the same methodology that the Clinton administration and the Bush administration used during the NAFTA debate, which was to look at the swing in the trade balance and attach a job multiplier to it, our trade deficit with Canada and Mexico is quadrupled since we signed NAFTA in 1993.

MARGARET WARNER: What do you mean, a job multiplier? Tell us about jobs, if you will.

THEA LEE: Sure. Well, I mean, our trade deficit has grown by \$30 billion with

Canada and Mexico combined. They had told us that we would have a trade surplus

instead, but those imports that are coming in from Canada and Mexico at a much faster

rate than the exports have grown are displacing American jobs. And it ,s happening in

two ways: One is that U.S. companies are actually closing down their factories and

moving to Mexico and some to Canada. And the other is that imports come in and

displace American production.

MARGARET WARNER: So you ,re saying net job loss.

THEA LEE: About 420,000, using the same method that the Clinton administration and the Bush administration used during the NAFTA debate.

MARGARET WARNER: Net job loss?

MICKEY KANTOR, Former U.S. Trade Representative: No economist, no economist will tell you that imports cost you jobs automatically. Every export creates jobs. And let ,s talk about what ,s happened with NAFTA; three things that are very important. Positive impact on our economy; 311,000 jobs and increased exports to Mexico by 37 percent, in spite of the peso crisis, exactly the same way we increased our exports around the world, which has been an enormous increase to the United States worldwide over the last three years, the second global economy.

We ,ve taken leadership of the global economy. We ,ve opened markets for U.S. workers, and third, most importantly, we have changed what has recently been one-way trade to two-way trade. What we ,ve said is we want everybody to play by the same rules. That ,s exactly what NAFTA does, a combination of phasing into playing by the same rules, opening Mexico ,s market, create new markets for U.S. goods, keeps U.S. companies in the United States. It was one of Thea ,s allies, and as Ross Perot said, our aerospace industry would move, would move to Mexico if NAFTA was passed. The last time I looked, Boeing ,s still in Seattle.

MARGARET WARNER: Ross Perot also said there ,d be a giant sucking sound of jobs going South. Do you think that was accurate, or is that overblown?

THEA LEE: Ross Perot was never representative of the critics of NAFTA. He didn ,t represent the labor movement. He didn ,t represent the environmental movement. Job sucking sound, yes. Jobs have moved out, and a lot of the same U.S. companies that promised they would be creating jobs for exports here in the United States have, instead, closed down their factories and moved to Mexico: Allied

Signal, GM, a lot of

--streamlined companies just moved down. They ,re moving their jobs--

MICKEY KANTOR: The big three in the last three years have invested \$39 billion, 39 billion in the U.S. economy, only 3 billion in Mexico. I think that ,s about 13 to 1, if I ,m not mistaken, if my math is correct. The fact is we are sending five times as many automobiles to Mexico today as we were before NAFTA started. We ,re sending more--may I just finish--auto parts. Before the peso crisis hit in +94, you know this and I know this, we had a \$1.8 billion trade surplus for the first 11 months of 1994. And December 21, 1994, the peso crisis hit. We had a trade deficit in December, four hundred and--I think--about ninety-eight million dollars. And then, of course, it went South.

That ,s really what happened here. But, in spite of that, two-way trade in NAFTA is at 44 percent increase in the first three years, which is more than two-way trades increase with every other country in the world. It has been a winner. Has it done everything that everyone wanted? Of course not. Not with the peso crisis. Does it need improvement? Yes, it does. Do we need to continue to work to make the rules fair and support American workers? Absolutely.

MARGARET WARNER: All right. Let me--since we can ,t get an agreement on jobs, let ,s turn to the other big issue, which was wages. Now, again, labor said it would depress wages, a downward pressure on U.S. wages because Mexican wages were less. Free traders said it would create a lot of new high-paying jobs. Was either side right? Were both sides right?

THEA LEE: What NAFTA does is shift the balance of bargaining power between workers and capital within North America, and what it does, it increased the mobility and the flexibility of multi-national corporations; makes it easier for them to take--close down the US factories and move to Mexico. It increases their bargaining power, and that they ,ll put downward pressure on wages.

We hear it from our workers every day of the week. When they sit down at the bargaining table, they hear that threat of moving production to Mexico. So even the workers who have kept their job in the United States have had their wages cut and their benefits cut back by NAFTA. In fact, the median wage, the real median wage in the United States has fallen 4 percent since 1993, when NAFTA went into effect.

MARGARET WARNER: Is there something to that?

MICKEY KANTOR: Well, I don't understand. We know that median wage is going up. Hourly wage has gone up for the first time in over twenty years, but unemployment is at about the lowest rate it's been in twenty years; the misery index at the lowest it's been in twenty-eight years in this country. We're in very good shape, but NAFTA was the engine of destruction. It certainly has been very ineffective.

The fact is fair trade agreements, which create a level playing field, which really serve our workers and serve our businesses, make America stronger, are good for the country. We need to take leadership. This is about are we going to take leadership or not; are we going to build our ties to a country where we share a 2,000-mile border with 94 million people, who are growing industrially--let me finish--and who have a growing middle class; and the answer is, of course, yes. It's good for the country.

MARGARET WARNER: But let me ask you this. I've got you two here, you're trade and economic experts. You don't even agree on what's been the impact on wages or jobs. What is a person at home to think, a person who's not an economist and not a trade expert? I mean, you would think those are very objective criteria.

MICKEY KANTOR: Well, let me make just one common sense answer, Thea. I'm sorry. I'll apologize. Just one--if Mexico had higher barriers to our goods and services before NAFTA and we had the lowest barriers almost in the world, other than Hong Kong, and they had free access to our economy, we have little access to theirs, and all NAFTA does is make the rules fair and lowers their barriers, why isn't that in our interest?

THEA LEE: That's a good question, and I'd like to answer it. And the point is that NAFTA is not and has never been just about reducing tariff barriers. It's also about changing the rules of trade and investment for the nation. I agree with you. NAFTA is about rules; and it's about whether they're fair rules or not. And our view of NAFTA is that it's not a fair set of rules; that it protects the rights of investors and patent holders to a much greater degree than it protects the rights of workers and the environment. And in that sense we can do a lot better than NAFTA, and we should not be extending

this agreement until we can get those rules right. It is that shift of power. It is the lopsidedness of NAFTA that is important and that workers object to.

MICKEY KANTOR: Let me just say, that ,s a very interesting point. Without NAFTA, the rules would be even more unfair. We ,d have no environmental agreement. If I just might, with the Border Environmental Commission, which approved sixteen projects, seven of which have been funded, which is beginning for the first time to clean up that border, which is a mess and everyone agrees, we have for the first time a trade agreement, a labor agreement, which begins to force countries to enforce their labor laws.

by 250 Mexico has increased their enforcement officers percent since NAFTA went into effect. Has it solved the common cold and cancer? No, of course not. But has it made a positive impact on North America, on jobs in all three countries, and really helped our economies? Of course it has. That ,s an easy answer.

MARGARET WARNER: But she doesn ,t agree. She doesn ,t agree.

MICKEY KANTOR: But the fact is she ,s wrong.

THEA LEE: The alternative to NAFTA is not no trade. We ,ve never wanted to stop trading with Mexico or Canada, and we value our colleagues in Mexico, our labor colleagues, our environmental colleagues, the citizens of Mexico. We think that that ,s very important. But the point is that the alternative to NAFTA would have been a different kind of trade agreement; that we could have gone more slowly. We could have put in stronger and more enforceful protections for labor and the environment, and that would have been a better world.

MARGARET WARNER: All right. Let me ask you both something else. If you look at whoever ,s figures I take--and you look in relation to the whole side of the U.S. economy, it is minuscule.

THEA LEE: That ,s right.

MARGARET WARNER: But the White House figures--the same thing. Why is this debate still so passionate?

THEA LEE: Because NAFTA is a symbol. It ,s a symbol of how we do trade policy, and it also is a model for future trade agreements. And everybody always used to say that.

MARGARET WARNER: Which is what the administration is talking about?

THEA LEE: We ,re going to build on NAFTA, and so we need to get the rules right in NAFTA; we need to get them exactly right before we go on. But it ,s true. I mean, it doesn ,t make sense, if you think about NAFTA as lowering a couple of tariff barriers that were already pretty low to begin with, why did labor care, why did business care, if that ,s all it was about, but it wasn ,t.

It was about how we do business, and whether we ,re on the high road, or the low road, whether we encourage U.S. companies that are having a hard time competing in the global economy, to respond to globalization by shutting down, by abandoning their American production facilities and going to where they can get low wages and lax enforcement of environmental regulations.

MARGARET WARNER: Why do you think it ,s still so passionate?

MICKEY KANTOR: Well, one reason they moved before was because it was no NAFTA and we didn ,t address those rules, which we did quotas, trade balancing requirements, high tariffs. They averaged 10 percent; they were very high in Mexico, but it ,s all the rules which keeping U.S. investment in and products and services out of Mexico. The Clinton administration had a very simple policy. We welcome the goods and services of others into our economy. We want the same access to their economy as well. We reached 200 trade agreements during the time on the first term of this administration.

The President insisted each one was called a single undertaking like NAFTA and that we would have the same access to others , economy eventually as they had to ours. That ,s good for workers; it ,s good for our economy. It ,s exactly what Thea is talking about. NAFTA was the first major step in that direction.

MARGARET WARNER: All right. We have to leave it there, both of you.
Thank you.

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To: _____

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Jonathan Murchinson/WHO/EOP
Joseph P. Lockhart/WHO/EOP
Jake Siewert/OPD/EOP
Jordan Tamagni/WHO/EOP
Loree K. Sutton/ONDCP/EOP
Beverly J. Barnes/WHO/EOP
Brian D. Smith/WHO/EOP
Elizabeth R. Newman/WHO/EOP
Julia M. Payne/WHO/EOP
Julianne B. Corbett/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lynn G. Cutler (CN=Lynn G. Cutler/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 6-AUG-1997 11:30:59.00

SUBJECT: Building trades leaders

TO: Christa Robinson (CN=Christa Robinson/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

For the Friday event, Dan Feller has moved to the Building Trades office at AFL-CIO. So you should call him there to invite the union leadership to the event. The effort they led to build the Diabetes Research Center was called Blueprint for Cure. It would be great to include them.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cynthia A. Rice (CN=Cynthia A. Rice/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:11-AUG-1997 17:33:36.00

SUBJECT: FLSA Meeting

TO: Bruce N. Reed (CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Elena asked me to set up an internal FLSA strategy meeting (Podesta, Echaveste, Murguia) for Wednesday, in preparation for the Thursday AFL-CIO meeting. Will you want to attend? If so, should we use your office?

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: Dag Vega@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME:11-AUG-1997 07:41:00.00

SUBJECT: ABC: This Week, 8/10/97

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TO: ANDERSON_L	(ANDERSON_L@A1@CD) (WHO)
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TO: BLICKSTEIN_J	(BLICKSTEIN_J@A1@CD) (OMB)
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TO: June Shih (June Shih@EOP@LNGTWY@EOPMRX)
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TO: Lowell A. Weiss (Lowell A. Weiss@EOP@LNGTWY@EOPMRX)
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TO: Laura K. Capps (Laura K. Capps@EOP@LNGTWY@EOPMRX)
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TO: James T. Edmonds (James T. Edmonds@EOP@LNGTWY@EOPMRX)
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TO: Estela Mendoza (Estela Mendoza@EOP@LNGTWY@EOPMRX)
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TEXT:
Message Creation Date was at 11-AUG-1997 06:53:00

ABC ``THIS WEEK''
AIRED ON SUNDAY, August 10, 1997, 11:30 A.M.
WITH HOSTS: SAM DONALDSON, COKIE ROBERTS
GUESTS:
Vice-Chairman of UPS, John Alden,
Treasury Secretary Robert E. Rubin,
AFL-CIO President John Sweeney

ANNOUNCER: From ABC News, ``This Week'', with Cokie Roberts, Sam Donaldson, featuring David Brinkley and George Will.

MR. DONALDSON: This week, a bitter strike at UPS over hiring part-time workers cripples the nation's largest delivery company.

MR. ??? (On video-tape): The position of the Teamsters continues to be unrealistic. That position does not allow us to compete.

JOHN SWEENEY, President, AFL-CIO (On Video-tape): They said they're on their way back to Atlanta and we're on our way back to the picket lines and to the rallies and to shoring up and to digging in and taking on this fight.

MS. ROBERTS: How far is labor willing to go? We'll ask AFL-CIO president, John Sweeney. And how long is UPS willing to hold out? We'll talk to John Alden, the vice-chairman of UPS. Now that a prolonged strike seems likely, we'll talk to Treasury Secretary Robert Rubin about the economic consequences to the country.

MR. DONALDSON: And the escalating Republican feud over former governor Weld's nomination to be ambassador to Mexico. That and more on our round-table with ABC News analysts Bill Kristol and George Stephanopoulos.

MR. DONALDSON: Welcome to our program. The UPS strike has entered a more serious phase and we'll talk about the issues. But perhaps the larger question is whether big labor sees this strike as a place to draw a line in the sand against all of the money-saving and downsizing practices that big corporations have put into effect in recent years. And we'll talk about those issues also, Cokie.

MS. ROBERTS: And if, in fact, that is the case, what effect that will have on this booming economy. Would it make a difference in terms of whether it

keeps booming. First, some news. The airplane crash in Guam that killed 225 people might have been avoided if a computer had been programmed correctly. That's the finding of the National Transportation Safety Board investigators on the island. A radar system which could have warned the pilot that the plane was flying too low was not working because of an error in computer software.

And the strike against the United Parcel Service looks like it could be a long one. Yesterday, talks broke up with no progress. To try to deal with the increased demand on the U.S. Postal Service, there are rare Sunday mail deliveries today. So, Sam, it looks like the Post Office is getting into the act, even if the President isn't willing to.

MR. DONALDSON: A lot of people will be surprised by Sunday mail deliveries--they have complained that they haven't been getting them on Saturday or the rest of the week as they should (Laughs). But we'll talk about the UPS strike later in detail and the economy with Treasury Secretary Robert Rubin and the president of the AFL-CIO, John Sweeney. But next, the Vice-Chairman of UPS, John Alden.

(Commercial Break)

MR. DONALDSON: Now, joining us from Atlanta, the Vice-Chairman of UPS, John Alden. Mr. Alden, welcome.

MR. ALDEN: Thank you, good morning.

MR. DONALDSON: And here, as always, to join in the questioning--George Will of ABC News. Mr. Alden, talks broke off yesterday. Now is this just sort of a faint on both sides? Will you get back together on Monday or do you see a really protracted situation here?

MR. ALDEN: Well, I can't say whether it's going to be protracted or not. There are issues here that they don't seem to be willing to talk about. A deal-breaker for the Teamsters seems to be the pension plan, the part-timers. It's not a deal-breaker for UPS.

MR. DONALDSON: You say it's not a deal-breaker for UPS, part-timers. Let me just ask about that. You pay, what, \$9-11 an hour average to 58 percent of your workers who are part-time. Why can't you afford to pay more? You made a billion one hundred fifty million dollars in profits last year.

MR. ALDEN: Well, first of all, the average hourly rate is eleven dollars for part-timers. And for a billion dollars that represents five percent of our revenues of profit, which is a small margin considering the difficulty in providing that kind of service.

MR. DONALDSON: So, will you say, however--let me just explore this, it's not a deal-breaker--you'll be willing to give some? I know you've made another proposal, but how much more will you give from the standpoint of paying more to the part-time workers?

MR. ALDEN: Well, we'd be willing to see--to pay more, probably, and to see more full-time jobs created in the future as they have in the past. And it is not a deal-breaker for us, so we keep coming back to the pension, that--we think that is a deal-breaker for the Teamsters.

MR. WILL: I should say at the beginning that among Mrs. Will's business clients is UPS. That said, let me ask you the following. UPS has raised 13,000 part-time jobs to full-time status. The proposal's for 11,000 more over the next five years. Can you give us a number?

MR. ALDEN: I can't give you an exact number, but it will continue to grow. We have been an engine of growth for jobs in this country. And I don't think that the issue is outsourcing or downsizing, as we've continued to add substantial new jobs to the economy every year.

MR. WILL: With regard to the pension deadlock, UPS's slogan is it wants UPS dollars to go to UPS people. But if the employees of UPS don't care, why do you care? That is, if you want your--if they want your pension money to go into the combined Teamsters' pension fund, why is that of concern to the company?

MR. ALDEN: Well, you said they don't care. I'm not sure that our people don't care tremendously. And I would argue that if we could give them the vote on our proposal, I believe you'd find them overwhelmingly supporting our pension proposal.

MR. WILL: Are you counting on the fact that a long strike might break the Teamsters, whose strike fund is not said to be robust?

MR. ALDEN: A long strike is not in the best interest for our customers, for our people, or for our company. It is detrimental to all concerned and we would have liked never to have had this happen at this point. And a quick resolution would be in the best interest of everybody, including the Teamsters. I am very fearful, as this goes on, that we will lose business that we may never get back and--which will mean a loss in Teamster jobs going forward.

MS. ROBERTS: Well, in order to not lose that business, are you ready to hire replacement workers?

MR. ALDEN: No. We are not ready to hire replacement workers at this point. We're hoping to get this to a vote to the people and get it resolved.

MS. ROBERTS: Mr. Alden, one of the other complaints that you hear from the Teamsters, and I've heard this mainly from individuals calling in on radio programs, is that there used to be a great opportunity for advancement at UPS. You, yourself, moved up in the ranks. You've been there, what, thirty-two years? And that people say that now that is not possible anymore, that the contracting out and the part-time workers do not get to move up the way they used to, and that that's the real concern of the workers.

MR. ALDEN: Well, first of all, you have to understand that more than half our workers are students who want to work for a few years while they go through school and then move on to their careers. A lot of our other part-timers are housewives or single parents who only desire part-time. And we have created a number of full-time jobs and people still can have tremendous opportunity to move in our organization. Four of our present Management Committee members started as part-timers, and are now, all four of them, senior vice-presidents of this corporation.

MS. ROBERTS: In your opinion, why is it that President Clinton is not invoking the law and saying, ``alright, this is an important issue, and important strike?''

MR. ALDEN: That's a very good question, Cokie, and I don't know the answer to that.

MS. ROBERTS: What's your--what do you think is the reason?

MR. ALDEN: I'm not sure whether it's political or he doesn't understand the ramifications on the economy and on the jobs. We have many, many customers who are calling us and writing us, telling us that they have to lay-off people, reduce their work force. They can't get their goods to the marketplace, and we have a million small customers who can't ship their goods on a daily basis.

MR. DONALDSON: On the larger question of corporations such as yours downsizing and saving money. You use part-time workers to a large extent, although you promise now that you'll try to hire more full-time workers. What is the corporate responsibility from the standpoint of the profits on one side, and the workers on the other? And their ability to keep pace with rising prices that they have to pay for the goods and services that they use?

MR. ALDEN: Well, let me make it clear. You mentioned downsizing. This is a corporation which is growing, has added thousands, tens of thousands of jobs during this last contract. We are not downsizing. We are not outsourcing. Our part-timers are paid well. They have full benefits--medical, pension, vacation, holidays. There is no other place in the United States--

MR. DONALDSON: Well, let me just ask you about that. Your full-timers are paid almost twenty dollars an hour. Your part-timers, you tell us, are paid an average of eleven dollars, although your starting base is eight dollars from 1982.

MR. ALDEN: That is correct. But those are entirely--

MR. DONALDSON: So you're adding jobs that are not really full-time jobs for people.

MR. ALDEN: Now that's not true. We've added a lot of part-time jobs, but we've added substantial full-time jobs during the last four-year contract. And they are two entirely different jobs. One is an unskilled, loading and unloading packages. Our drivers are very highly skilled, highly-trained

professionals. They are two different jobs. And we would never pay our inside workers the same as we pay a driver.

MS. ROBERTS: Secretary of Labor, Alexis Herman, said today that she is going to call your--the head of your company and Mr. Carey of the Teamsters and urge you to get back to the table. Is that a call that is meaningful to you? Will you all respond to that?

MR. ALDEN: Well, we'll respond to any call that can bring an end to this.

MS. ROBERTS: So will you get back to the table?

MR. ALDEN: We will be glad to get back if there's a willingness on the Teamsters part of negotiate.

MR. DONALDSON: Mr. Alden, thanks very much. We appreciate your coming in today.

MR. ALDEN: You're entirely welcome.

MR. DONALDSON: Still to come, Treasury Secretary Robert Rubin and next--labor's view, from the president of the AFL-CIO, John Sweeney.

(COMMERCIAL BREAK)

MS. ROBERTS: Welcome, Mr. Sweeney. Thanks for coming in on Sunday morning.

MR. SWEENEY: Thank you. Nice to be here.

MS. ROBERTS: You've just heard Mr. Alden from UPS talking about the part-time worker situation and they do have a situation where they have hours of the day where there's a tremendous amount of volume, and then not for the rest of the day. Is what you're suggesting is that companies like that bring people on for eight hours when they only really have three hours of work?

MR. SWEENEY: The hours haven't changed over the period of years and the seasons haven't changed. But there has been a marked increase in the number of part-time workers. The last 45,000 employees that have been hired--35,000 of them, part-time. This is a trend that the company has been performing at and it's an attempt to reduce the labor costs--lower wages, no benefits, and outsourcing is also a big problem.

MS. ROBERTS: But one of the reasons that the economy has been productive and that everybody therefore is doing better is that you haven't had these extra hours of people not being productive when you don't have anything for them to be doing. Is that what you're suggesting that UPS do?

MR. SWEENEY: No. We're suggesting that they maintain a level of full-time jobs for workers--

MS. ROBERTS: Even if there's not full-time work for them?

MR. SWEENEY: There's full-time work there. The work is there. There's no question about it. Here's a company that made a billion dollars last year, very successful. But the change that has taken place in this company is the substantial reduction in labor costs. This is something that UPS is not the only one doing. There is a trend here to reduce the number of workers who are covered for health insurance, to take away some of the pension security that workers expect and--I don't think it's extravagant for workers to expect that even if they are hired into part-time jobs, that they'll eventually have the opportunity to become full-time workers, as well.

MS. ROBERTS: One--the question that Sam raised at the beginning of this program is, is this now the beginning of labor beginning to say ``it's our turn. We demand to participate in this economy in a better way than we have been and now that it's a full-employment economy that they can afford to make those kinds of demands?

MR. SWEENEY: We're seeing a period of time when we have a very successful economy. Everything's up. Stock market prices are up, CEO compensation is up, profits, productivity--all up. Workers wages are not keeping up with the standard of living. There's a corporate greed out there that is unbelievable. It wasn't always like this in our country. There was a greater respect for workers and their jobs in the past.

MS. ROBERTS: And so, is this the beginning of a series of strikes like this?

MR. SWEENEY: I'm not saying it's the beginning of a series of strikes, but this strike is certainly going far beyond the issues of UPS. Workers are angry. They're concerned. And they think that they should get a better share of the

productivity and the profits that they help create.

MR. WILL: Let's talk about these angry workers. In the last 25 years, the percentage of women working part-time has held steady at about 25 percent. The number of men working part-time has risen only from eight percent to 12 percent. Aren't you addressing a non-existent crisis? Particularly considering the polls indicate the vast majority of people working part-time want to.

MR. SWEENEY: More women are entering the work force, that's a statistic, that's very obvious. All women working part-time would just as soon be working full-time in many cases. Many women are deprived of health benefits and they're single mothers raising families. These workers aren't all working part-time because they want a part-time job. It's the job that they found. It's like the person who was interviewed on TV the other night, talking about the employment numbers, and said--and was asked how did he feel about it? He said, ``I feel great. I have three of those part-time jobs!''

MR. WILL: Mr. Alden from UPS said the vast majority of the UPS people would prefer to have UPS dollars go into a separate UPS pension fund. Do you dispute that?

MR. SWEENEY: We have no information that confirms that.

MR. WILL: He suggests that an election--or, a vote on this issue might give you that information.

MR. SWEENEY: These workers are looking for protection and coverage under the pension plan. The growing number of part-timers has reduced the coverage of pension.

MR. WILL: But are you opposed to the vote that Mr. Alden wants? He says ``let's let the people vote on this.''

MR. SWEENEY: The people voted. They've voted to--they're out on strike. They're voting with their feet. They'll be voting on a successful contract when one is concluded.

MR. WILL: But you'd be opposed to a separate vote on this, what he calls the ``deal-breaking'' issue?

MR. SWEENEY: We're representing the workers in terms of their elected negotiating committee and when the company comes to a decent contract, a fair contract, the workers will be voting on that contract.

MR. WILL: This strike will cost the Teamsters, it's estimated, ten million dollars a week, and they don't have ten million dollars a week, reportedly, in their strike fund. You've said that they'll get all they need. Are you saying that the AFL-CIO will underwrite this strike as long as it goes?

MR. SWEENEY: The leadership of the AFL-CIO are committed to supporting the Teamsters in this strike for as long as it takes to win a good contract.

MR. DONALDSON: Now, how long do you think the Administration ought to hold off in invoking Taft-Hartly? At the moment, of course, it says there is not the kind of national emergency that the law envisions. But if this strike goes on for weeks and weeks, and months and months, surely there would be, would there not?

MR. SWEENEY: There's no national emergency right now and we have a right in this country to bargain collectively. We have a right to strike. I wish the people were more focused on getting this strike settled through the collective bargaining process. I wish that UPS and the Teamsters could come to a fair settlement.

MR. DONALDSON: Why do you think the President has not invoked Taft-Hartly? Because there's no national emergency or, as some suggest, because of the contributions that big labor had made to his campaign?

MR. SWEENEY: I think the President is committed to collective bargaining. I think he believes that the workers have a right to bargain a contract, they have a right to strike, and the strike has only been on for a couple of days. Take the focus off the President making some initiative and focus on UPS getting back to the bargaining table.

MR. DONALDSON: But surely, Mr. Sweeney, you have to acknowledge that the contributions you made have paid off in some respect.

MR. SWEENEY: I would hope that we supported candidates in the last election

who were in favor of addressing working families' issues.

MR. DONALDSON: One question about organizing. Wal-Mart, which has, I believe, no union in the United States, it has one in Ontario. You lost an election there. The vote was 54-27 in Merrill, Wisconsin. Is that the end of it?

MR. SWEENEY: No, we'll be back there working with those workers who want a union. There was no attention paid to an election that the Teamsters won a couple of weeks ago for 5,000 mechanics at Continental Airlines. This is an election of less than 100 workers and we'll continue to work to educate them on the issues affecting their own lives and their own job, and there'll be a union at Wal-Mart.

MR. DONALDSON: Finally, you have economists at the AFL-CIO. What do you see ahead for the economy? Is this boom just going to continue?

MR. SWEENEY: The economy looks very good. Our concern is that workers aren't participating to their full share.

MS. ROBERTS: Mr. Sweeney, we have to move on to the next segment, but could you just tell me quickly, will you oppose the President on fast-track legislation which he says is at the top of his agenda for the Fall?

MR. SWEENEY: We will continue to support the inclusion of human rights and labor standards and environmental protections in all of our trade agreements.

MS. ROBERTS: Thank you very much. Thank you for being here, Mr. Sweeney.

MR. SWEENEY: Thank you.

MS. ROBERTS: Still to come--David Brinkley. And next, Treasury Secretary Robert Rubin.

(COMMERCIAL BREAK)

MR. DONALDSON: Secretary Rubin in New York, welcome. Nice to see you.

MR. RUBIN: Very good to be back with you.

MR. DONALDSON: Well I've seen private economy forecasts that say that a prolonged UPS strike would knock about three-quarters of a point off the GDP. Why wouldn't that qualify under the law as a national economic emergency?

MR. RUBIN: Sam, I think, clearly, the UPS strike is a serious matter and that's why the President and the Secretary of Labor Alexis Herman are so focused on getting the parties back to the table and working together. The question of Taft-Hartly, which I guess is the question you're raising, is one that, it seems to me, lies in the future, not now. As you may know, that has very stringent requirements. It hasn't been invoked in over 20 years. In fact, the last time a president tried to use it, he was rebuffed by the courts. I think we're doing exactly the right thing, which is working with the parties, trying to keep them at the table and working together to get this resolved between themselves.

MR. DONALDSON: Well, the parties, of course, are not at the table. The Secretary of Labor has said she'll call them and ask them to come back. But do you have any formula in mind which you can say, ``ladies and gentlemen, this might be the way to do it?''

MR. RUBIN: Sam, I think the way to do it is exactly what Alexis Herman is doing, which is to keep enormous pressure of the parties to work together, to come together and to get this very important set of issues resolved. I do not think, at least at this point, that resorting to Taft-Hartly is a sensible thing to do and I think she's got it exactly right.

MS. ROBERTS: Aside from the general economic impact, there are specific impacts, however, that you can really make a case that do create an emergency--the question of blood banks, the question of organ transplants, all of that where we've had stories all through the week of this being a dire problem.

MR. RUBIN: Cokie, this is clearly a very serious matter and it has received enormous attention at the White House. On the other hand, as I said a moment ago, the Taft-Hartly law, which is the law that deals with this question of presidential involvement, has very high standards. It hasn't, for that reason, been used in over 20 years.

MS. ROBERTS: And so is there something else he can use, as he did, for instance in the airline strike?

MR. RUBIN: Well, the airline strike was a different issue. There is a special statute that deals with airlines and railroads and that is a different set of standards. It does not apply to this situation.

MS. ROBERTS: But is there some other way that he could get these emergency supplies going?

MR. RUBIN: Well, if there are really limited emergencies, such as blood banks, there may be something the government can do. I don't know the answer to that question. But in terms of dealing more generally with the UPS situation, the only legislative authority is Taft-Hartly and that, as I said, has very stringent standards. No, the right thing to do is what we're doing, which is try to get these people back to the table to work together and to get this very serious issue resolved.

MS. ROBERTS: Secretary, on the more general question. You have been credited with being the mastermind behind the good economy. Get the deficit down, get interest rates down, keep inflation low, and the markets respond. And that's all happened.

MR. RUBIN: The President has been the mastermind behind it all.

MS. ROBERTS: That's very gracious. But what happens now if you start to see pressure on wages? Does that upset the whole applecart?

MR. RUBIN: Oh, I don't think so, Cokie. I think it is very, very important in our economy that the economy not only grow, but that it work for all people who work. And clearly, the question of dividing the benefits is one that employers and employees work out amongst themselves. The key for the government is to continue to play the role of creating the environment in which market forces can be successful. And I think that we've been on exactly the right path--the deficit-reduction program in '93 has been central to our economic recovery. Investing in our people through education, child health care, the kinds of programs that were included in the recent budget agreement. But I think government is playing the right role and I think the question of the division of benefits is one that needs to be resolved as between employers and employees, in the tradition of our country, which is one of market forces.

MR. WILL: Just to complete the Taft-Hartly argument, the language of that law says that the President can act when there is ``severe damage to the economy.'' Can we say now, that given the flexibility and alternatives existing in the American delivery system, it is inconceivable that at any point this strike with constitute ``severe damage to the economy?''

MR. RUBIN: George, I would never say that you can say that anything is inconceivable. I would say that as of the present time, the President has not made a judgment with respect to invoking--has made a judgment it is not appropriate to invoke Taft-Hartly and he'll have to continue to look at that as time goes forward.

MR. WILL: Mr. Sweeney makes the argument, really, that there's something inherently wrong with part-time jobs, unless people actually want them. UPS has the following problem. They work like beavers from about 4am to 8am sorting packages, and then that sorting is done, and those sorting workers go home. Just as a businessman, in terms of hiring people for value-added and paying them accordingly, do you think there's anything wrong with part-time employment?

MR. RUBIN: No, I think part-time employment has been part of our society for a long time. I think it fits the needs of many people. I think there is a real issue here, though. And the real issue is the pressures on low-wage workers and I think that it's very important, as I said a moment ago, that our economy be one that work for all--for all who work. And it is for that reason that it is very important that we continue to have the kind of growth we've had over the past five years, because that growth results in low unemployment which helps wages up and down the scale. And secondly, I think it's absolutely critical to continue the focus we've had over the last five years on education, on child health care, on all the programs that will better equip working Americans to be effective and productive in a modern economy.

MR. WILL: Some people on the side of organized labor say, ``look, we've

invested a lot of money in the political process. We want a political solution, and that solution should be to legislate, from Congress, that part-time workers and full-time workers be paid the same hourly pay for the same work with the same benefits. Is that a Clinton Administration priority?

MR. RUBIN: George, that is not an issue that I've heard discussed and I guess my basic answer there is that wages and terms of conditions have been determined in our economy of market forces by negotiations between employers and employees, and it seems to me that's the right way to go. In Europe, you've had a--as you know, in many countries in Europe you've had all sorts of regulations with respect to such matters and the result is enormous rigidity and unemployment rates of 10-12 percent. I think that our society and our economy of market forces is right, but I also think it is very important that we have an economy that works for working Americans and that middle-income Americans, lower-income Americans, share in the benefits of economic growth.

MR. WILL: To change subjects for just a moment. You said just a moment ago that wonderful things are going to happen because of--have produced the balanced budget agreement. A number of people have said if you look at the numbers and what the economy was going to do anyway in reducing the deficit, the net effect of the balanced-budget agreement is to postpone achieving a balanced budget. We would have had it in something like the fourth quarter of next year, instead of the year 2002. Do you disagree?

MR. RUBIN: Yeah, I think that's simply not so, George. We have analyzed preliminary numbers, obviously, with great care. We're going to have a very low deficit this year in this country, maybe 37 billion, something like that. And I think that is the pay-off, really, for the deficit reduction program of '93 and the economic growth that's generated. But as you look forward, absent this balanced-budget agreement, the deficit would have gone back up again, and although I think our conditions would have been a lot better than they were--clearly would have been a lot better than when President Clinton took office, because of what we've done. We would not have reached balance without this balanced-budget agreement.

MR. DONALDSON: Well, now the President has the balanced-budget agreement. He also has the opportunity of use his line-item veto for the first time. Will he do it this week?

MR. RUBIN: Sam, he will announce his decisions tomorrow and he will announce that he is going to use his line-item veto. He'll use it on both the tax and spending side and he will use it with the view that by doing so, he can create a useful and, I think, potentially very strong deterrent to people including inappropriate measures in future legislations. The answer to your question is ``yes.''

MR. DONALDSON: On the budget? He's not going to wait for the appropriation bills?

MR. RUBIN: That is correct. On both the spending and the tax sides of the budget.

MR. DONALDSON: Let's talk about the tax side. We thought it was narrowed down to about five potential items. Which one is he going to select?

MR. RUBIN: Oh, Sam, I think that I should not get ahead of the President's decisions and his announcements of his own decisions. But I think it is fair to add--

MR. DONALDSON: Well, may I just ask you, will Mr. Simmons in Dallas be happy or unhappy?

MR. RUBIN: I think that he and all others will discover their state of mind tomorrow when he makes his decisions, but I think it is important to say that he has thought this through with enormous care and when he discusses this, he will discuss it with respect to the criteria that he's used and the decisions he's made. And I think it's a very important thing he's doing in terms of the deterrent effect it can have with respect to future legislation.

MR. DONALDSON: Well, I have to ask you, Mr. Secretary, it was rather well-known that you were advising against selecting this particular moment to use the line-item veto. What happened?

MR. RUBIN: Oh, Sam, I think there were issues there and I don't think I should discuss my private advice to the President. But I think what he's doing, as I said a moment ago, really can serve a very useful deterrent purpose and when he gets into his discussion tomorrow and announces his decisions, I suspect you'll agree with that.

MR. DONALDSON: So, if I may just beat this dead horse one more time--so, despite what your advice may have been not to do it, if he does it, as you say he will, he's doing the right thing, is that it?

MR. RUBIN: I'm not discussing what my advice was and its nuances and complexities. I'm just saying I think that what he's doing is very sensible and can have very powerful and very useful deterrent effects going forward with respect to including inappropriate measures in legislation.

MS. ROBERTS: Is there any danger, however, that it can have a deterrent effect on things you want to get done? For instance, this was a negotiated legislation down to the last dots on the i's and crosses of the t's. You're essentially breaking a deal, aren't you?

MR. RUBIN: No, Cokie, because as the President said the other day in his press conference, matters that have been negotiated and were agreed upon by the parties, would not be included as candidates for his line-item veto.

MS. ROBERTS: Is there a danger, though, that this could affect--the Republicans seem to be saying this, that it could affect such things as the trade legislation, fast-track, which you've already heard from Mr. Sweeney the labor unions are going to oppose. You're going to have problems enough with the Democrats. You need the Republicans against you on this, too?

MR. RUBIN: I think that what he's doing is totally consistent with the good bipartisan spirit that we had around the budget agreement. And I might add, as just a more general matter, I think the spirit there really was very good and I think it really is very promising in terms of going forward with entitlement reform, fast track, and other measures that I think, and much more important, the President thinks are very important to our economy.

MR. DONALDSON: Secretary Rubin, the last two days of the trade last week on the market--the market seemed to be going through some sort of correction. Do you think that will continue? Are stocks overpriced? We're above 8,000 now.

MR. RUBIN: Sam, I think you and I have discussed this before and as you know, I never comment on the level of the market. I'd give you two comments. One, I agree with John Sweeney. I think the economic outlook is good. The second question, which is a very important question for every investor, is to determine whether you think relative to whatever your view of the economy may be, and mine is very favorable, you have to decide whether you think the market is overvalued, undervalued, or fairly valued, and that's a judgment that I don't think I--

MR. DONALDSON: If you were still head of Goldman Sachs, would you be pouring more money into stocks now or not?

MR. RUBIN: If I were still head of Goldman Sachs, I might be more willing to discuss publicly what I think on the issue of market valuation than I am under the circumstances. I do not think the Secretary of the Treasury should express views on markets, but I do think, as I say, that our economy is likely to behave very well going forth. Particularly in light of the balanced-budget amendment (sic) and the contribution that makes to continuing fiscal responsibility, investing in our people, and all the rest, that is so important going forward.

MR. DONALDSON: George, we have just a little time.

MR. WILL: Just to tie down the subject of NAFTA. You believe NAFTA's been a success. You want it expanded and you want fast-track authority for that expansion. Mr. Sweeney does not. Do you anticipate compromising with Mr. Sweeney in some way on your fast-track authority?

MR. RUBIN: George, I disagree slightly with the way you framed the question. I do think NAFTA clearly has been successful, in fact, more successful in the context of the crisis in Mexico than it would have been under normal conditions. I do think fast-track is very important. I think trade

liberalization has contributed greatly to the economic conditions and particularly the lower inflation that we've had in this country, the increased exports jobs--but I don't think fast-track necessarily involves an expansion of NAFTA. What it involves is sectorial and bi-lateral and multi-lateral trade agreements with other nations.

MR. DONALDSON: Thank you, Secretary Rubin. Please come back, either in your present capacity or if you return to Goldman Sachs. You're always welcome.

MR. RUBIN: I thank you, Sam.

MR. DONALDSON: Next, our round-table discussion. And still to come--David Brinkley.

MR. BRINKLEY: Life in Washington. Government employees have to do what they're told and now they're told they have to go outside to smoke.

(COMMERCIAL BREAK)

MS. ROBERTS: Welcome back, Bill Kristol, George Stephanopoulos, ABC News analysts. So this strike seems to be getting people worried that this might be the beginning of a lot of new strikes. We really haven't had a major strike in this country in the 1990's. Labor's been scared. Unemployment has not been this low. Is this the beginning of something?

MR. DONALDSON: I think Mr. Sweeney put it from labor's standpoint very well. He should, I mean, he's head of the AFL-CIO. The old days when labor fought to have a decent wage of any sort, to avoid sweat-shop conditions, are generally past, thank goodness. And the question is, does labor get to enjoy the profits that are being made? Our economy is booming. What percentage goes to stockholders, what percentage goes to employees? And I think labor's correct to say we've got to have, Samuel Gompers never said it more, at least we've got to have more of the pie from the standpoint of enjoying the good times.

MR. STEPHANOPOULOS: There's no question about it, because even though the economy is booming, really the country has followed a strategy of increasing profits at the expense of wages and the expense of worker security and that's really what this strike is about.

MS. ROBERTS: Well, except for UPS, you know, the workers are the stockholders. I mean, they are participating in the profits.

MR. STEPHANOPOULOS: In part. Not the part-time workers. Eighty-three percent of the new hires are part-time. That is happening throughout the economy. And also wages for most workers are still below the 1989 levels. Not everyone has shared in this and that's why it's an important strike.

MR. WILL: The greatest worker security in the world is called a 4.8 percent unemployment rate, so I'd say workers don't have a great complaint there. This is a strike to save people who don't want saved from a crisis that doesn't exist.

MR. DONALDSON: But these people are working part-time to make that 4.8 percent employment rate.

MR. WILL: Poll after poll demonstrates, Sam, that the vast majority of part-time workers want to be part-time workers. They're students, they're women who want to devote part of the time to their family, they're people taking care of the elderly.

MR. DONALDSON: They're people who are also trying to earn enough to keep pace so that they have to work part-time.

MR. STEPHANOPOULOS: Nineteen percent of the part-time workers in America don't get health insurance. Seven million of them want to be working more hours. There is a serious issue here about the people who need to be making more in order to raise their families.

MS. ROBERTS: Let me get Bill in here.

MR. KRISTOL: They're striking a company--everyone complains about downsizing, with some legitimacy. They're striking a company that's increased the number of employees over the last four years, increased the number of full-time employees over the last four years. It's a model of employee ownership, as you suggest. These people are benefitting, employees are benefitting from the increase in value of this company, from the profits. I think it's a strike that--I think management's going to fight it. And the issue

really is what Secretary Rubin mentioned--Europe. And if you think it is good to have 10 percent unemployment, which is what you get when you have the kind of rigid labor laws Europe has--if you think that's better for people trying to make it up the economic ladder, then we can have those kinds of labor laws. But this is the--I just don't believe that America's going to go this way and I think the Teamsters are fighting a losing battle.

MS. ROBERTS: But it's interesting, because labor has not been able to do much organization in the service economy. And one of the reasons that they've been nervous about it is that jobs just move. You know, you organize a textile plant and people move to Mexico, whatever. You can't replace UPS we're learning the hard way, and this seems to be a place to make a statement, but are there others like it?

MR. WILL: There are others a lot more vital than UPS. I mean, UPS is a fine company, but you'll be surprised how flexible the American economy turns out to be. Indeed, Mr. Alden from UPS is worried about that. He says ``we're going to lose customers that we may not get back.''

MR. STEPHANOPOULOS: And that's exactly why the President should not get involved in this strike. You know, there's a lot of talk about the law and under Taft-Hartly--

MS. ROBERTS: There's a lot of talk about the campaign contributions.

MR. STEPHANOPOULOS: But also, beyond that, there's a third issue, a third reason he shouldn't get involved. And that's policy. If the President gets involved now, he's putting his thumb on the scale on the side of management. He's undermining collective bargaining, he's weakening workers, and that's why he shouldn't do it.

MR. WILL: I think, in fact, having--as you mentioned at the outset the Post Office is delivering today. Are they not strike-breakers? It's an outrage.

MR. DONALDSON: You've given me an opportunity to amend something I said at the beginning of the program. I suggested no one ever gets their mail in this country. Before I hear from my old friend, Larry Speakes, saying that in fact the Postal Corporation delivers the mail, yes, I get my mail.

MR. STEPHANOPOULOS: Well, you'll get your mail tomorrow.

MR. DONALDSON: I get my mail most of the time, right.

MR. KRISTOL: I love George's concern for the President not to get involved. You know, the President won't get involved because this is actually a real issue that's affecting the American economy. And the President's strategy is entirely to get involved only in meaningless, symbolic issues. He's too busy giving radio addresses, trying to stop people from smoking outside of Federal buildings.

MS. ROBERTS: But is there something else the government should be doing then? If the President shouldn't be getting involved in this, are there other ways of addressing the kinds of issues that George brought up? Alright, I agree with you. A lot of people do like to work part-time. But a lot of them would like health benefits for work.

MR. STEPHANOPOULOS: I would, too.

MR. WILL: UPS workers, I believe--part-time workers get those benefits.

MR. STEPHANOPOULOS: There's some dispute over that.

MR. DONALDSON: Could I just weigh in again? A lot of people like to work part-time. I think it's true--we all want to be industrious and I understand that. But I think another reason they like to work part-time is they need the money.

MR. WILL: This is--can I intervene to say this is not--

MS. ROBERTS: That's fine. That's the reason people work, period.

MR. WILL: This strike really isn't about the part-timers. I think it's about the pension fund. I think UPS is the largest contributor, I believe, to the Teamsters pension fund which can't live without it. So what you have is the organized labor is going to subsidize striking Teamsters on UPS to try and force UPS to subsidize non-UPS workers' pension funds.

MR. KRISTOL: And the pension fund, let me add--not to be impolite, but this is a pension fund that has been notoriously corrupt, that pays double and

triple salaries for many Teamster--high-level Teamster officials. I mean, this is not just clean-hands labor trying to fight hard for those part-time workers. UPS's proposal which which increases the pensions of UPS workers, of whom there are almost 200,000, is a threat to the power of organized labor and that's why they're fighting.

MR. STEPHANOPOULOS: Cokie, there are a few things the government can do. I'll name three. Number one, you can build on this budget agreement and give health care to more working Americans. Number two, you can raise the minimum wage. Right now the minimum wage is below 1989 levels.

MR. KRISTOL: No UPS worker makes the minimum wage.

MR. STEPHANOPOULOS: But if you raise the minimum wage it helps push--

MR. KRISTOL: It helps create inflation throughout the economy.

MR. STEPHANOPOULOS: We've had the lowest inflation in thirty years. It's not a huge problem.

MS. ROBERTS: All right, name three and then we'll move on to another subject.

MR. STEPHANOPOULOS: And the third one is education and training. Go ahead.

MS. ROBERTS: Alright, now we have had another week of Washington fun over Jesse Helms and William Weld and the--it seemed for a bit there that Senator Lugar, the second-ranking Republican on the Foreign Relations Committee who was on this program last week--but he's the chairman of the Agriculture Committee. And he seemed to be using a threat as his chairmanship of the Agriculture Committee to hurt Jesse Helms' tobacco farmers, hurt them where it could hurt, in response to Helms not holding the hearing on Weld. First of all, is that something that is likely to happen? And secondly, where does that go? Where do we go with this?

MR. DONALDSON: It's not likely to happen and perhaps this morning, yes, Senator Lugar drew back a little bit. To fight fire with fire is one thing. But to get down in the--well, anyway, you know that expression, too. Jesse Helms is acting totally irresponsibly. It may be in the great tradition of Senate autocrats and Congressional autocrats over the years--is Boss Canon still with us? But he's acting in a way that he should not be allowed to act in. Not hold a hearing on a nomination simply because you are the chairman and you have your nose out of joint isn't the way the system ought to work.

MR. KRISTOL: I think this is working out great. It proves the system works. Jesse Helms is going to prevent Bill Weld from resolving his mid-life crisis by becoming ambassador to Mexico for a few months, and Dick Lugar in return is going to cut down on subsidies for tobacco farmers, which is also a good public policy outcome. So once again, our founders have devised a brilliant constitutional system--

MR. DONALDSON: You've heard of Rube Goldberg, right? I mean, you drop the ball here and eventually the mouse takes the cheese over there. That's not the way the system ought to work.

MS. ROBERTS: Does Jesse Helms move, George--do you see Jesse Helms moving at all on this?

MR. WILL: The question is, does he get moved. I mean, Jesse won't do it voluntarily. But Lugar injected into this a nice phrase. He says he doesn't like Mr. Helms being unilaterally difficult. Now there are all kinds of ways to be difficult in the Senate, which is nothing if not a nest of blocking mechanism. And it does therefore--

MS. ROBERTS: And was so designed.

MR. WILL: It does, it does proceed on civility and there is a sense that Mr. Helms has stepped over civility here. It doesn't matter under the eye of eternity who is ambassador to Mexico. Whether or not the Senate functions does matter, and I think this now becomes, thanks to Lugar, an important issue.

MS. ROBERTS: You know, George, I remember one Christmas, I think it was either December 22 or 23, Jesse Helms and his then colleague, John East, who has since departed from this Earth, were holding up a major measure. There were senators standing up practically in tears on the floor of the Senate saying ``I'm not going to be able to see my grandchild for Christmas.'' It was quite

something. And then one senator, Alan Simpson, who has left the Senate, got so angry that he threatened tobacco right then with Helms and East sitting there, and it did not move him one iota. So I don't see that any of this pressure makes a difference.

MR. STEPHANOPOULOS: And so far, you know, the President's really stayed out of it. The White House has been exceptionally mealy-mouthed on this nomination. They say they're for Weld, but they're not going to work to circumvent--

MR. DONALDSON: why is that, George? Could it be because of the fact that they just nominated him to help the Kennedys in Massachusetts?

MR. STEPHANOPOULOS: I think they're--

MR. DONALDSON: And they really don't want to give it that much.

MR. STEPHANOPOULOS: I think there are a couple of reason for it. I think that was one of the reasons. I think the other reason was they didn't like the way Governor Weld kind of embarrassed them early on.

MR. WILL: The President has an option. He could do a recess appointment. Do you think he will?

MR. STEPHANOPOULOS: I don't think he will. I do think he should. I don't think he can afford to continue to put up nominees and then leave the impression that he's not fighting for them. And I think that's the impression that's being left this week.

MR. KRISTOL: Could the other guy--

MR. DONALDSON: Does the name Lani Guinier mean anything to you? Do you recall? The President has never fought for any of his nominees, with one exception.

MR. STEPHANOPOULOS: That's not exactly true. Henry Foster.

MR. KRISTOL: I think Lani Guinier would be a good ambassador to Mexico and it's a creative solution to the problem.

MS. ROBERTS: Well, I'd like to say that I think some good things are coming out of North Carolina because there was a suit there this week where a jury awarded a million dollars, a million dollars to a woman--

MR. DONALDSON: Are you getting your notes together? I mean, what is this?

MS. ROBERTS: --who had sued her husband's mistress and then became wife, for breaking up her marriage. And I figure she was clearly--had a jury of her peers, other women whose husbands had misbehaved. But, what is--

MR. STEPHANOPOULOS: I would have thought all the feminists would rise up against this. What, the man has no role in this? He's not responsible at all?

MS. ROBERTS: Apparently you can't sue him.

MR. DONALDSON: Well, I think there are seven states that still have this alienation of affection law on the books. Something like that. And I think it's a ridiculous law. I mean, men and women are going to be--

MS. ROBERTS: No kidding!

MR. DONALDSON: Men and women are going to be men and women will all of those impulses and urges that beset us all, thank goodness. And you're not going to be able to, by law, say ``well, you can't go and steal this woman's husband or this man's wife.'' It's just not going to work that way.

MR. WILL: It's wonderful to hear Sam on the limits of law in perfecting mankind. Welcome to the conservative movement!

MR. DONALDSON: I think it's true, George. I've never been for this kind of law. Not just an alienation of affection law, but anything that tries to do that.

MS. ROBERTS: Anything that tries to do what?

MR. DONALDSON: Don't draw me out any more. Every time we get into this discussion, I get into trouble.

MR. KRISTOL: Maybe I could say a word in defense of the citizens of North Carolina. They have such an excellent senator in Senator Helms, who can reduce other grown senators to tears, as you say, Cokie, which is a real tribute to him. Look, it's not about preventing people from getting a divorce. It's a question of making divorce more difficult or making people who cause divorce pay some price for it. And I think we are--the pendulum is swinging back from the huge move from totally no-fault divorce. We did have a-- we do have a

bizarre situation in this country. The marriage contract is the least enforceable contract in a court of law in this country. You try to break an employment contract, you pay a price to get out of it. You try to break any other kind of contract, you have to pay a price. But the marriage contract, one party wants to leave, the other party has no recourse and gets no benefit.

MS. ROBERTS: And there used to be a social stigma against women who were hussies that came around breaking up marriages, and the truth is that it's not such a terrible thing to reinstitute it.

MR. STEPHANOPOULOS: Well, but the whole undertone here is that somehow the secretary had some magic charm.

MS. ROBERTS: Well, she apparently did have some--she did apparently have some game plan.

MR. STEPHANOPOULOS: And it really does sound like Salem to me. That you know, the outsider is punished and has to pay.

MR. WILL: Somewhere between Sodom and Gemorrah and Salem, Massachusetts, there's a happy middle ground where social stigmas are re-established to do what they've done through the ages, which is regulate behavior. And this may be one way of doing it. Now the question is, if you want as a policy to make divorce harder to get, make it harder to get. But there are ways of doing that without going to the law and getting into the complicated business here of trying to assign responsibility nicely in a court of law between the man and the woman.

MR. KRISTOL: No, I agree with that. I'm not sure we want moral litigiousness as the way to solve our divorce problem, but you know, you mentioned feminism earlier, George. I think the question is which way does the women's movement go on this? And I think an awful lot of women are more sympathetic to the wronged wife here, than to the second wife.

MS. ROBERTS: Absolutely. And on that note we are going to end.

MR. DONALDSON: In the days of Sodom and Gemorrah, we could have turned them to salt!

MS. ROBERTS: That's it. David Brinkley.

MR. DONALDSON: You want to get out of here, huh?

(COMMERCIAL BREAK)

MR. DONALDSON: The war against smoking is being fought on many fronts and in many places. Here in Washington, as in other cities, it is being fought in the streets. For as David Brinkley observes, that is where the smokers are being driven. David.

MR. BRINKLEY: Sam, people living here in Washington are accustomed to seeing large groups of people congregated on the sidewalks. They are admiring the monuments or waiting to get into the museums, the White House, or waiting for something. Oh, we still have crowds on the sidewalks, but now there just out gathering out there to smoke cigarettes. One government agency after another, and pretty soon all of them, orders its employees not to smoke in their buildings, and so they step outside the doors and smoke on the sidewalks. At first, they proposed that smokers stand at least fifty feet away from the entrance, but some buildings are directly on busy city streets and fifty feet out would put them there in the traffic. It won't work. Too

dangerous. President Clinton now has an order banning smoking not only in the buildings, but all around the front doors because people are sensitive to tobacco smoke and complained they can't get in without choking on it. None of this, by the way, applies to the U.S. Capitol, the home of Congress, not subject to presidential orders. So, if you want to work in the government and still smoke, run for Congress. Sam, Cokie.

MR. DONALDSON: Thank you, David. And for the latest on the impact of the UPS strike, be sure to watch World News Tonight Sunday with Carole Simpson, tonight on ABC.

MS. ROBERTS: And to discuss this week's events, Bill Kristol will be online this morning at 11:30 eastern time. Bill will be at ABCNEWS.COM on America Online. The keyword is ABCNEWS. That's all for us. Until next week, that's ``This Week.''

END

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-AUG-1997 12:25:36.00

SUBJECT: Welfare Mtg. w/ Gerry Shea

TO: Cynthia A. Rice (CN=Cynthia A. Rice/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Cathy R. Mays (CN=Cathy R. Mays/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Diana Fortuna (CN=Diana Fortuna/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Bruce N. Reed (CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Gerry Shea is going to bring in some people from AFL-CIO to discuss workfare Thursday, August 14 at 2:00 in room 180 OEOB. Please let me know if you cannot make this time. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Diana Fortuna (CN=Diana Fortuna/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:12-AUG-1997 13:41:24.00

SUBJECT: FLSA Mtg. w/ Gerry Shea

TO: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Cynthia A. Rice (CN=Cynthia A. Rice/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

i assume there was no conscious decision to leave OMB out of all this; if not, then we should invite someone over there... whether the Barry W. level or higher.

Cynthia, what do you think?

----- Forwarded by Diana Fortuna/OPD/EOP on 08/12/97
01:41 PM -----

Laura Emmett
08/12/97 11:24:42 AM
Record Type: Record

To: See the distribution list at the bottom of this message
cc:
Subject:FLSA Mtg. w/ Gerry Shea

I just want to confirm that everyone who would like to attend the Gerry Shea AFL-CIO meeting can make it on Thursday at 5:30 in room 180 EOEB. I will let you know who Gerry is bringing with him when I get the list. Thanks.

Attendees
Gerry Shea, et al.
John Podesta
Bruce Reed
Elena Kagan
Gene Sperling
Maria Echaveste
Janet Murguia
Cynthia Rice
Diana Fortuna
Kitty Higgins- DOL

Message Sent

To:

Cathy R. Mays/OPD/EOP
Jessica L. Gibson/WHO/EOP
Marjorie Tarmey/WHO/EOP
Cynthia A. Rice/OPD/EOP
Diana Fortuna/OPD/EOP
Sara M. Latham/WHO/EOP
Melissa Green/OPD/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:12-AUG-1997 13:51:37.00

SUBJECT: FLSA Mtg.

TO: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

You should be in this loop bigtime. Jon

----- Forwarded by Jonathan A. Kaplan/OPD/EOP on 08/12/97
01:55 PM -----

From: Melissa Green on 08/12/97 01:15:05 PM
Record Type: Record

To: Anne H. Lewis/OPD/EOP, Jonathan A. Kaplan/OPD/EOP, Russell W.
Horwitz/OPD/EOP
cc:
Subject:FLSA Mtg.

do you advise Gene to attend this and Thursday Shae meeting? (see next
e-mail)

----- Forwarded by Melissa Green/OPD/EOP on 08/12/97
01:14 PM -----

Laura Emmett
08/12/97 11:19:31 AM
Record Type: Record

To: Melissa Green/OPD/EOP
cc:
Subject:FLSA Mtg.

Elena said I should also invite Gene or whoever you think is appropriate.
Thanks.

----- Forwarded by Laura Emmett/WHO/EOP on 08/12/97 11:23
AM -----

Laura Emmett
08/12/97 10:49:54 AM
Record Type: Record

To: See the distribution list at the bottom of this message
cc:
Subject:FLSA Mtg.

We are going to hold a premeeting on FLSA in preperation for the
upcoming meeting with Gerry Shea and the AFL-CIO. The premeeting will
take place Wednesday at 5:00 in John Podesta's office. Please let me know
if this does not work for you. Thanks.

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Maria Echaveste
Janet Murguia
Cynthia Rice
Diana Fortuna
Kitty Higgins- DOL

Message Sent

To: _____

Bruce N. Reed/OPD/EOP
Cathy R. Mays/OPD/EOP
Janet Murguia/WHO/EOP
Jessica L. Gibson/WHO/EOP
Maria Echaveste/WHO/EOP
Marjorie Tarmey/WHO/EOP
Cynthia A. Rice/OPD/EOP
Diana Fortuna/OPD/EOP
Sara M. Latham/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cynthia A. Rice (CN=Cynthia A. Rice/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:12-AUG-1997 13:48:59.00

SUBJECT: Re: FLSA Mtg. w/ Gerry Shea

TO: Diana Fortuna (CN=Diana Fortuna/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

I disagree. Because this is a pre-meeting for what I think is essentially a political meeting with the AFL-CIO on Thursday, we shouldn't invite OMB. If we did invite someone, it should be a political person, i.e., Apfel.

Diana Fortuna
08/12/97 01:41:07 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP, Laura Emmett/WHO/EOP

cc:

Subject: FLSA Mtg. w/ Gerry Shea

i assume there was no conscious decision to leave OMB out of all this; if not, then we should invite someone over there... whether the Barry W. level or higher.

Cynthia, what do you think?

----- Forwarded by Diana Fortuna/OPD/EOP on 08/12/97
01:41 PM -----

Laura Emmett
08/12/97 11:24:42 AM
Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject: FLSA Mtg. w/ Gerry Shea

I just want to confirm that everyone who would like to attend the Gerry Shea AFL-CIO meeting can make it on Thursday at 5:30 in room 180 OEOB. I will let you know who Gerry is bringing with him when I get the list. Thanks.

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Gerry Shea, et al.
John Podesta
Bruce Reed

Elena Kagan
Gene Sperling
Maria Echaveste
Janet Murguia
Cynthia Rice
Diana Fortuna
Kitty Higgins- DOL

Message Sent

To:

Cathy R. Mays/OPD/EOP
Jessica L. Gibson/WHO/EOP
Marjorie Tarmey/WHO/EOP
Cynthia A. Rice/OPD/EOP
Diana Fortuna/OPD/EOP
Sara M. Latham/WHO/EOP
Melissa Green/OPD/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:12-AUG-1997 10:53:46.00

SUBJECT: FLSA Mtg.

TO: Diana Fortuna (CN=Diana Fortuna/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Marjorie Tarmey (CN=Marjorie Tarmey/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Jessica L. Gibson (CN=Jessica L. Gibson/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Cathy R. Mays (CN=Cathy R. Mays/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Sara M. Latham (CN=Sara M. Latham/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Cynthia A. Rice (CN=Cynthia A. Rice/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Maria Echaveste (CN=Maria Echaveste/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Janet Murguia (CN=Janet Murguia/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Bruce N. Reed (CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

We are going to hold a premeeting on FLSA in preperation for the upcoming meeting with Gerry Shea and the AFL-CIO. The premeeting will take place Wednesday at 5:00 in John Podesta's office. Please let me know if this does not work for you. Thanks.

Attendees

John Podesta

Bruce Reed

Elena Kagan

Maria Echaveste

Janet Murguia

Cynthia Rice

Diana Fortuna

Kitty Higgins- DOL

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:12-AUG-1997 11:19:50.00

SUBJECT: FLSA Mtg.

TO: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Elena said I should also invite Gene or whoever you think is appropriate.
Thanks.

----- Forwarded by Laura Emmett/WHO/EOP on 08/12/97 11:23
AM -----

Laura Emmett

08/12/97 10:49:54 AM

Record Type: Record

To: See the distribution list at the bottom of this message

CC:

Subject:FLSA Mtg.

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Janet Murguia

Cynthia Rice

Diana Fortuna

Kitty Higgins- DOL

Message Sent

To: _____

Bruce N. Reed/OPD/EOP

Cathy R. Mays/OPD/EOP

Janet Murguia/WHO/EOP

Jessica L. Gibson/WHO/EOP

Maria Echaveste/WHO/EOP

Marjorie Tarmey/WHO/EOP

Cynthia A. Rice/OPD/EOP

Diana Fortuna/OPD/EOP

Sara M. Latham/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:12-AUG-1997 13:15:23.00

SUBJECT: FLSA Mtg.

TO: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

do you advise Gene to attend this and Thursday Shae meeting? (see next e-mail)

----- Forwarded by Melissa Green/OPD/EOP on 08/12/97
01:14 PM -----

Laura Emmett

08/12/97 11:19:31 AM

Record Type: Record

To: Melissa Green/OPD/EOP

cc:

Subject:FLSA Mtg.

Elena said I should also invite Gene or whoever you think is appropriate.
Thanks.

----- Forwarded by Laura Emmett/WHO/EOP on 08/12/97 11:23
AM -----

Laura Emmett

08/12/97 10:49:54 AM

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To: See the distribution list at the bottom of this message

cc:

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Message Sent

To: _____

Bruce N. Reed/OPD/EOP
Cathy R. Mays/OPD/EOP
Janet Murguia/WHO/EOP
Jessica L. Gibson/WHO/EOP
Maria Echaveste/WHO/EOP
Marjorie Tarmey/WHO/EOP
Cynthia A. Rice/OPD/EOP
Diana Fortuna/OPD/EOP
Sara M. Latham/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cynthia A. Rice (CN=Cynthia A. Rice/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:12-AUG-1997 14:02:36.00

SUBJECT: Re: FLSA Mtg. w/ Gerry Shea

TO: Diana Fortuna (CN=Diana Fortuna/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

We need to have an FLSA strategy meeting that includes OMB, HHS, DOL, etc. -- our usual group -- to prepare for September. But because the AFL-CIO asked for this meeting, we need to have it and we need to have a pre-meeting only with those people who are meeting with the AFL-CIO. Elena gave Laura the list of people to invite to the AFL-CIO, so I assume she didn't want to include OMB.

We'll follow up with a broader meeting -- by which time we'll have a better sense of where Podesta and the unions are.

Diana Fortuna
08/12/97 01:51:16 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP

cc: Laura Emmett/WHO/EOP

Subject: Re: FLSA Mtg. w/ Gerry Shea

I see what you mean. Do you want to invite Gotbaum or bring him up to speed later?

This came up because I sent Barry White the Q&A on FLSA; he called me to say he thought it went a bit far in terms of saying we would compromise on taxes; I said Bruce was definitely comfortable with it, although I wasn't sure it had been used; and then I mentioned the strategy meeting in passing as an opportunity to revisit where we are.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:12-AUG-1997 13:15:48.00

SUBJECT: FLSA Mtg. w/ Gerry Shea

TO: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

----- Forwarded by Melissa Green/OPD/EOP on 08/12/97
01:15 PM -----

Laura Emmett
08/12/97 11:24:42 AM
Record Type: Record

To: See the distribution list at the bottom of this message
CC:
Subject:FLSA Mtg. w/ Gerry Shea

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Gerry Shea AFL-CIO meeting can make it on Thursday at 5:30 in room 180
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Diana Fortuna
Kitty Higgins- DOL

Message Sent

To: _____
Cathy R. Mays/OPD/EOP
Jessica L. Gibson/WHO/EOP
Marjorie Tarmey/WHO/EOP
Cynthia A. Rice/OPD/EOP
Diana Fortuna/OPD/EOP
Sara M. Latham/WHO/EOP
Melissa Green/OPD/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christa Robinson (CN=Christa Robinson/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:26-AUG-1997 12:01:24.00

SUBJECT: Radio Address

TO: Rebecca A. Cameron (CN=Rebecca A. Cameron/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: Christine A. Stanek (CN=Christine A. Stanek/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

Jose Cerda III (CN=Jose Cerda III/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

TEXT:

Christine Stanek from OPL will be following up on this (b/c I'm leaving town tomorrow), but we would like to get Ken Lyons, the President of the International Brotherhood of Police Officers, into the Radio Address this weekend in Martha's Vineyard. IBPO is the only AFL-CIO police union, and since it is Labor Day weekend I thought it would be appropriate. Also, IBPO represents all police in Massachusetts, including Martha's Vineyard, and most in the New England area. They are a very supportive group, and Ken Lyons is an old traditional Massachusetts Democrat!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 3-SEP-1997 11:44:06.00

SUBJECT: AFL-CIO Convention

TO: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Please call me about this and let's discuss how to handle.

Jon

----- Forwarded by Jonathan A. Kaplan/OPD/EOP on 09/03/97
11:44 AM -----

Michael J. Burton @ OVP

09/03/97 11:34:28 AM

Record Type: Record

To: Jonathan A. Kaplan/OPD/EOP

cc:

Subject:AFL-CIO Convention

Who should we deal with re developing an issues binder for the AFL-CIO convention the VP and POTUS will be attending in a few weeks?

We are going out a few days before POTUS, so we are a bit more pressed than you. Also, we are hoping to get some time with the VP prior to the conference to brief him on issues; you folks should probably be a part of that briefing.

I'm happy to do whatever we have to do -- just need to know who to contact.

Thanks.

Michael Burton, x6-7094

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 3-SEP-1997 11:44:07.00

SUBJECT: Re: AFL-CIO Convention

TO: Michael J. Burton (CN=Michael J. Burton/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

TEXT:

I will probably work with Anne Lewis on this, but will get back to you shortly with more details.

Jon Kaplan

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 3-SEP-1997 13:57:04.00

SUBJECT: NAFTA responses

TO: Robert D. Kyle (CN=Robert D. Kyle/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Lael Brainard (CN=Lael Brainard/OU=CEA/O=EOP @ EOP [CEA])

READ:UNKNOWN

TEXT:

Vicki just called to ask if anyone has done a response to the AFL-CIO piece on NAFTA. She said her "ultimate boss" just asked. If no one has, she wanted Bob to do this.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jonathan Orszag (CN=Jonathan Orszag/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 4-SEP-1997 09:40:46.00

SUBJECT: Re: Memo for Gene re:AFL CIO COnvention

TO: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Yes. The more info I can get -- especially over my initiation period -- the better. Send it all my way.

Thanks.

Jon

P.S. Thank you for all your help with everything. I do appreciate it.

[illegible]

MEMORANDUM

TO: NEC STAFF

FROM: ANNE H. LEWIS

RE: AFL CIO CONVENTION

DATE: SEPT 10

The President will be speaking at the AFL CIO convention on Sept 24th. The Vice President will be speaking and participating in other meetings or events on Sept 20th. We will need to prepare substantive background for both on a number of issues.

For the President, Craig Smith's shop will be the Staff Contact, but we can anticipate that he will need input from us. I would like to prepare the paper early enough so that the VP can also use it. Therefore, the deadline is Wed Sept 17th at 5 PM. Here's a heads up on what we will be asked for:

Issue	Length	Assignment
Fast Track	1 page	Lael (pls coordinate with Vicky or whomever)
Project Labor, procurement		
Et al	1 page	Kathy
Comp Time	paragraph	Anne
Team Act	"	Anne
Electricity Restructuring	"	Kathy
Aerospace Offsets	"	Dorothy
Climate Change	"	Peter (with CEQ)
Education& Trng		
(Skill grants)	"	Bob/Anne
FLSA Application	"	DPC
Privatization	"	DPC
Davis Bacon, Service		
Contract, OSHA, MSHA		Anne
Pensions	"	Ellen
Credit Unions	"	Ellen
Social Security	"	Peter

Please make sure that the paragraphs are short. Staff Secretary does not want a 10 page background memo.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-SEP-1997 11:52:39.00

SUBJECT: AFL CIO Convention

TO: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Emil E. Parker (CN=Emil E. Parker/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Kathleen M. Wallman (CN=Kathleen M. Wallman/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Ellen S. Seidman (CN=Ellen S. Seidman/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Robert M. Shireman (CN=Robert M. Shireman/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Lael Brainard (CN=Lael Brainard/OU=CEA/O=EOP @ EOP [CEA])
READ:UNKNOWN

TO: Peter R. Orszag (CN=Peter R. Orszag/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])
READ:UNKNOWN

TEXT:

A group of us met to discuss the breifing books for the president and veep for the AFL CIO convention beginning Sept 20th. Anne will put a note in your boxes with your breifing assignments. (Dont worry they will be short.)

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:11-SEP-1997 11:25:06.00

SUBJECT: Re: quick request

TO: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Director of Legislative and Intergovernmental Affairs, AFL CIO. One of the three person inner cricle around Sweeney. Washington saavy, more reasonable than many of his colleagues. Blah blah blah. Spell: Gerry Shea

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jake Siewert (CN=Jake Siewert/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:15-SEP-1997 09:53:10.00

SUBJECT: Re: Oh yeah, the attachment may help

TO: Jonathan Orszag (CN=Jonathan Orszag/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Thanks. Those look fine.

You may want to check in with Lowell about the AFL-CIO speech; I told him to take a look at the low-wage workers memo.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:15-SEP-1997 17:15:08.00

SUBJECT:

TO: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

I am sending over (via intern) a packet of stuff relating to AFL CIO convention.

The packet includes

1. Cover memo which mentions UI reform etc and mentions several housekeeping items.
2. Memo on Bingaman amendment
3. POTUS veto msg on Team
4. Long memo w/ short cover note on labor law reform in general

Pls let Gene know he has all that stuff.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:15-SEP-1997 15:33:24.00

SUBJECT: AFL Briefing

TO: Michael J. Burton (CN=Michael J. Burton/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

TEXT:

No doubt you have already thought of these suggestions, but in the interest of good staff work, I'll risk being redundant.

You should include Elena Kagan (or her designee) in the briefing since she has been handling the FLSA and privatization issues which are soooo important to the AFL CIO. Also, you may want to include someone who is current on fast track. I am knowledgeable about possible worker adjustment policies, but not about the broader context.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:15-SEP-1997 11:02:41.00

SUBJECT: AFL CIO pre mtg

TO: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Do you have a time for this meeting, which I gather is on the 18th? I would like to attend, if possible.,

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lowell A. Weiss (CN=Lowell A. Weiss/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:16-SEP-1997 14:56:46.00

SUBJECT: trade stats for afl-cio speech

TO: Lael Brainard (CN=Lael Brainard/OU=CEA/O=EOP @ EOP [CEA])

READ:UNKNOWN

CC: Jonathan Orszag (CN=Jonathan Orszag/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Lael,

I'm the speechwriter working on the President's AFL-CIO remarks, which will have a small section about fast track. Jon Orszag thought you might be able to help me.

In making the case that fast track is about FAIR trade, I want to be able to point to trade agreements we have signed over the past couple of years that have benefitted workers -- unionized workers -- in Pittsburgh, the site of the convention. Another way of doing it would be to cite some foreign markets that we would like to pry open to the kind of goods produced in Pittsburgh (steel, etc.) -- markets where fast track, if enacted, would come into play.

Is this something you can help with? If not, could you recommend someone. Thanks.

Lowell Weiss

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:16-SEP-1997 20:45:14.00

SUBJECT: Re: AFL-CIO Briefing for VP

TO: Michael J. Burton (CN=Michael J. Burton/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

TEXT:

Sounds good. Pls let me know how you structure these meeting, so I can be properly prepared, The only concern I have is that there is new legislative action possible on the FLSA (min wage) for welfare workers and privatization and I don't see anyone on your list from DPC which is the lead policy council on those issues

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lowell A. Weiss (CN=Lowell A. Weiss/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:16-SEP-1997 17:59:32.00

SUBJECT: afl-cio

TO: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Anne,

I'm starting to draft the President's AFL-CIO remarks. If you have any specific issues you would like to see the President address, pls let me know as soon as you can. FYI: There is broad consensus that he should address fast track head-on. Thanks.

Lowell

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:16-SEP-1997 20:48:51.00

SUBJECT: Re: Adjustment Assistance

TO: Lael Brainard (CN=Lael Brainard/OU=CEA/O=EOP @ EOP [CEA])

READ:UNKNOWN

TEXT:

Let's get you, me and dorothy together tomorrow afternoon. We do need to divvy up some assignments b/c I also have the AFL CIO convention and a bunch of other stuff.

I actually think that we will be in good shape by early next week. However, I doubt that we will have respectable product by the end of this week.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lowell A. Weiss (CN=Lowell A. Weiss/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:16-SEP-1997 13:04:36.00

SUBJECT: trade stats for afl-cio speech

TO: Peter R. Orszag (CN=Peter R. Orszag/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Jonathan Orszag (CN=Jonathan Orszag/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

In making the case that fast track is about FAIR trade, I want to be able to point to trade agreements we have signed over the past couple of years that have benefitted workers -- unionized workers -- in Pittsburgh, the site of the convention. Another way of doing it would be to cite some foreign markets that we would like to pry open to the kind of goods produced in Pittsburgh (steel, etc.) -- markets where fast track, if enacted, would come into play.

Waldman thought the NEC would be a better place to go for help than the NSC. Anyone at NEC who's good on this stuff?

lw

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Jonathan Orszag to Lowell A Weiss at 14:36:02.00. Subject: Re: trade stats for afl-cio speech. (1 page)	09/16/1997	P6/b(6)

COLLECTION:

Clinton Presidential Records
Automated Records Management System [Email]
OPD ([AFL-CIO])
OA/Box Number: 250000

FOLDER TITLE:

[06/23/1997 - 09/25/1997]

2013-0306-F
ab1179

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:16-SEP-1997 20:46:16.00

SUBJECT: AFL-CIO Briefing for VP

TO: Kathleen M. Wallman (CN=Kathleen M. Wallman/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

FYI. I also sent back a note suggesting that he needs someone from DPC who knows the welfare reform and privatization issues.

----- Forwarded by Anne H. Lewis/OPD/EOP on 09/16/97
08:45 PM -----

Michael J. Burton @ OVP

09/16/97 04:07:09 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc: Ron Klain/OVP @ OVP

Subject:AFL-CIO Briefing for VP

There will be a 20 minute pre-Pittsburgh briefing for the VP on Thursday at 3:50 pm. (I placed a call to Kathy Wallman, since I can't seem to find her e-mail address.)

Message Sent

To: _____

Anne H. Lewis/OPD/EOP

Michael B. Feldman/OVP @ OVP

Steven W. Adamske/OVP @ OVP

Jonathan A. Kaplan/OPD/EOP

Karen Tramontano/WHO/EOP

Eli G. Attie/OVP @ OVP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jonathan Orszag (CN=Jonathan Orszag/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:16-SEP-1997 09:27:08.00

SUBJECT: Re: Pittsburgh numbers

TO: Lowell A. Weiss (CN=Lowell A. Weiss/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

No. I can't

Just kidding.

Lowell A. Weiss

09/16/97 09:20:31 AM

Record Type: Record

To: Jonathan Orszag/OPD/EOP

cc:

Subject:Pittsburgh numbers

Can you hook me up with some good economic numbers for Pittsburgh, the site of the AFL-CIO convention?

You de man.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lowell A. Weiss (CN=Lowell A. Weiss/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:16-SEP-1997 09:20:36.00

SUBJECT: Pittsburgh numbers

TO: Jonathan Orszag (CN=Jonathan Orszag/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Can you hook me up with some good economic numbers for Pittsburgh, the site of the AFL-CIO convention?

You de man.

[illegible]

ELECTRICITY RESTRUCTURING

Background and Status

Many states have begun restructuring their electrical utilities to afford consumers "retail choice" - the ability to select their electric power provider much like they now select their long distance company. Several federal bills have been introduced, too, and the Administration has been considering whether to offer its own bill. The Department of Energy has estimated that the savings to consumers resulting from retail choice could be over \$10 billion per year.

The policy process in the Administration on this issue has been underway since April, when the NEC began convening twice-weekly meetings of an interagency group to develop recommendations about the Administration's position.

The interagency task force was made up of representatives from nearly all of the cabinet departments, including Labor, and many of the independent federal agencies in an expert advisor capacity.

Among the issues considered are the following:

Should federal legislation mandate state adoption of plans to restructure the electricity industry, essentially preempting the states, or should it leave room for the states to act in view of their relatively good progress on the issue so far?

Are there potential adverse air quality effects that may flow from the advent of retail competition, and what steps should be taken to anticipate and counter them?

Are social goals such as energy conservation, support for renewable energy sources and universal service likely to be adversely affected by retail competition, and what steps should be taken to offset those effects?

There were many other issues taken up by the interagency group, which concluded its work at the end of July, having reached a consensus on many of the issues involved. But on some issues there was either no consensus or the issue was deemed so fundamental that, even though there was a consensus, it was agreed that these issues should be elevated for discussion and decision.

Although we are eager to finish our process so that we can participate in a timely fashion when the legislation eventually begins to move, the prospects for anything happening on the Hill to pass legislation this year are extremely remote.

Labor's Concerns

The NEC staff (Kathy Wallman and Marc Silverman) have met with the IBEW. The IBEW is concerned that restructuring will lead to a reduction in the number of jobs available to their rank and file in the electricity industry. They also point out that the consumer benefits may not be shared by all consumers, particularly residential customers, and warn that large consumers may benefit while residential rates increase. They are also concerned that competition may have an adverse impact on the

reliability of electricity services because the electric power system will be tended by fewer skilled workers.

IBEW's concerns lead it to say that there should be no federal legislation at all on this subject, and that the issue should be left entirely to the states.

We have assured the IBEW that we will proceed in a balanced and deliberative way that takes account of the concerns they presented, and that we will guard against results such as increases in residential rates. On the subject of whether the issue should be left entirely to the states, we have emphasized that there has been no decision yet, but that the Administration has in the past favored introducing competition in sectors where significant consumer benefits are likely to result, such as in telecommunications. We have committed to continue to talk with them as we develop recommendations, and conveyed that we think that the legislative schedule on this issue is likely to be protracted and will afford us plenty of time to work together on this issue.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:17-SEP-1997 12:35:00.00

SUBJECT: Re: AFL-CIO Briefing for VP

TO: Michael J. Burton (CN=Michael J. Burton/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

TEXT:

Try Laura Emmett -- her assistant.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Peter R. Orszag (CN=Peter R. Orszag/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:17-SEP-1997 13:33:04.00

SUBJECT: Re: Breifing for AFL CIO Convention

TO: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Here's a pretty vacuous answer on Social Security. Climate change will be handled through Katie McGinty's shop.

Q: What are you doing about Social Security?

A: The President and I have emphasized that one of our most serious responsibilities is to make sure that Social Security and Medicare are there for the next generation of Americans. With the historic balanced budget agreement, we have shown that we can put our fiscal house in order while improving services for our elderly. Now, we must move on to addressing the long-term entitlement challenges critical to our nation's future. The President and I are both interested in studying a range of options, and we have begun considering the best way of structuring this process. But we will not support implementing ideas that change Social Security without careful study and review.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:17-SEP-1997 10:29:40.00

SUBJECT: Re: Auto meeting

TO: Cheryl M. Carter (CN=Cheryl M. Carter/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

we need to figure out gene's role in AFL-CIO convention first. sorry, i
will get back to you asap.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kathleen M. Wallman (CN=Kathleen M. Wallman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:17-SEP-1997 15:20:51.00

SUBJECT: Breifing for AFL CIO COnvention

TO: Marc A. Silverman (CN=Marc A. Silverman/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Can you please do a few paragraphs for Anne on electricity restructuring, keeping the labor perspective in mind? Thanks.

----- Forwarded by Kathleen M. Wallman/WHO/EOP on
09/17/97 04:15 PM -----

Anne H. Lewis

09/17/97 11:07:15 AM

Record Type: Record

To: See the distribution list at the bottom of this message

CC:

Subject:Breifing for AFL CIO COnvention

Just a reminder your paragraphs for the AFL CIO convention briefing paper are due today at 5PM. Pls e-mail them to me. Thanks

Message Sent

To: _____

Peter R. Orszag/OPD/EOP

Ellen S. Seidman/OPD/EOP

Lael Brainard/CEA/EOP

Kathleen M. Wallman/WHO/EOP

Dorothy Robyn/OPD/EOP

Emil E. Parker/OPD/EOP

Jonathan A. Kaplan/OPD/EOP

Robert M. Shireman/OPD/EOP

Russell W. Horwitz/OPD/EOP

Melissa Green/OPD/EOP

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: Lowell A. Weiss@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME:17-SEP-1997 08:33:00.00

SUBJECT: trade stats for afl-cio remarks

TO: KYLE_R (KYLE_R@A1@CD) (OPD)
READ:NOT READ

TO: LEAVY_D (LEAVY_D@A1@CD) (NSC)
READ:17-SEP-1997 12:59:29.78

TEXT:

Message Creation Date was at 17-SEP-1997 08:30:00

I'm writing the President's AFL-CIO remarks, which will have a small section about fast track. Tony Blinken thought you might be able to help.

In making the case that fast track is about FAIR trade, I want to be able to point to trade agreements we have signed over the past couple of years that have benefitted workers -- unionized workers -- in Pittsburgh, the site of the convention. Another way of doing it would be to cite some foreign markets that we would like to pry open to the kind of goods produced in Pittsburgh (steel, etc.) -- markets where fast track, if enacted, would come into play.

Is this something you can help with? Tony thought that we had, at least, a state-by-state breakdown on trade. Can we get more specific than that? Thanks.

Lowell Weiss

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:17-SEP-1997 17:58:27.00

SUBJECT: VP AFL-CIO BRIEFING TIME CHANGE -- THURSDAY, 9:45 AM, WEST WING OFFICE

TO: Cathy R. Mays (CN=Cathy R. Mays/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

I just spoke to Burton & Bruce is definitely welcome.

----- Forwarded by Laura Emmett/WHO/EOP on 09/17/97 06:04 PM -----

Sara M. Latham

09/17/97 05:55:52 PM

Record Type: Record

To: Laura Emmett/WHO/EOP

cc:

Subject:VP AFL-CIO BRIEFING TIME CHANGE -- THURSDAY, 9:45 AM, WEST WING OFFICE

----- Forwarded by Sara M. Latham/WHO/EOP on 09/17/97 05:55 PM -----

Michael J. Burton @ OVP

09/17/97 06:03:57 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc: Ron Klain/OVP @ OVP

Subject:VP AFL-CIO BRIEFING TIME CHANGE -- THURSDAY, 9:45 AM, WEST WING OFFICE

Sorry about moving the time, but we hit an unavoidable conflict in the afternoon. If you can't make it, please let me know.

Here's the agenda --

Overview of Pittsburgh Schedule

Review of One-on-One Meetings

Review of Climate Change and Fast-Track Meetings

Review of Other Issues

Thank you.

Message Sent

To:

John Podesta/WHO/EOP

Sara M. Latham/WHO/EOP

Anne H. Lewis/OPD/EOP

Michael B. Feldman/OVP @ OVP
Steven W. Adamske/OVP @ OVP
Jonathan A. Kaplan/OPD/EOP
Karen Tramontano/WHO/EOP
Eli G. Attie/OVP @ OVP
Elena Kagan/OPD/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:17-SEP-1997 11:07:23.00

SUBJECT: Breifing for AFL CIO Convention

TO: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Robert M. Shireman (CN=Robert M. Shireman/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Emil E. Parker (CN=Emil E. Parker/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Kathleen M. Wallman (CN=Kathleen M. Wallman/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Ellen S. Seidman (CN=Ellen S. Seidman/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Lael Brainard (CN=Lael Brainard/OU=CEA/O=EOP @ EOP [CEA])

READ:UNKNOWN

TO: Peter R. Orszag (CN=Peter R. Orszag/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Just a reminder your paragraphs for the AFL CIO convention briefing paper are due today at 5PM. Pls e-mail them to me. Thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cheryl M. Carter (CN=Cheryl M. Carter/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:17-SEP-1997 13:47:08.00

SUBJECT: Re: Mtg. w/ Big 3 VPs

TO: Linda Lance (CN=Linda Lance/OU=CEQ/O=EOP @ EOP [CEQ])

READ:UNKNOWN

CC: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Marc A. Silverman (CN=Marc A. Silverman/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

The 3 auto Washington guys, Peeples, Hall and Liberatore can't do Monday. I've asked Melissa to try for Wed. but that is the day Gene speaks to AFL-CIO meeting...I'll keep you posted on the timing...right now we are not confirmed for any day, any time.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:17-SEP-1997 09:23:49.00

SUBJECT: Re: AFL-CIO Briefing for VP

TO: Michael J. Burton (CN=Michael J. Burton/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

TEXT:

I think it would be Elena Kagan. If she is not the right person, she will know who is.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:18-SEP-1997 09:27:45.00

SUBJECT: Aerospace Offsets

TO: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

kathy Wallman thought the Pres and VP might need a paragraph of background on this issue for the AFL CIO convention. THE VP book is due tonight. Can you get me something soon.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dag Vega@EOP@LNGTWY@LNGTWY (Dag Vega@EOP@LNGTWY@LNGTWY [WHO])

CREATION DATE/TIME:18-SEP-1997 13:54:32.00

SUBJECT: NPR: All Things Considered, 9/16/97

TO: jgibbons@ostp.eop.gov@INET@LNGTWY (jgibbons@ostp.eop.gov@INET@LNGTWY [OSTP])
READ:UNKNOWN

TO: Lorraine A. Voles@ovp@eop (Lorraine A. Voles@ovp@eop [UNKNOWN])
READ:UNKNOWN

TO: Virginia M. Terzano@ovp@eop (Virginia M. Terzano@ovp@eop [UNKNOWN])
READ:UNKNOWN

TO: Gene B. Sperling@eop (Gene B. Sperling@eop [OPD])
READ:UNKNOWN

TO: Laura D. Schwartz@eop (Laura D. Schwartz@eop [WHO])
READ:UNKNOWN

TO: Steven J. Naplan@eop (Steven J. Naplan@eop [NSC])
READ:UNKNOWN

TO: Kevin Moran@eop (Kevin Moran@eop [WHO])
READ:UNKNOWN

TO: G N. Lattimore@eop (G N. Lattimore@eop [WHO])
READ:UNKNOWN

TO: Allison J. King@eop (Allison J. King@eop [PIR])
READ:UNKNOWN

TO: Daniel J. Gunia@eop (Daniel J. Gunia@eop [OA])
READ:UNKNOWN

TO: Jason S. Goldberg@EOP (Jason S. Goldberg@EOP [WHO])
READ:UNKNOWN

TO: Karen E. Finney@eop (Karen E. Finney@eop [WHO])
READ:UNKNOWN

TO: Rahm Emanuel@eop (Rahm Emanuel@eop [WHO])
READ:UNKNOWN

TO: Michelle Crisci@eop (Michelle Crisci@eop [WHO])
READ:UNKNOWN

TO: Jill M. Blickstein@eop (Jill M. Blickstein@eop [OMB])
READ:UNKNOWN

TO: Michael Waldman@eop (Michael Waldman@eop [WHO])
READ:UNKNOWN

TO: Barry J. Toiv@EOP (Barry J. Toiv@EOP [WHO])
READ:UNKNOWN

TO: Darby E. Stott@eop (Darby E. Stott@eop [WHO])

READ:UNKNOWN

TO: Joshua Silverman@EOP (Joshua Silverman@EOP [WHO])

READ:UNKNOWN

TO: Christa T. Robinson@eop (Christa T. Robinson@eop [UNKNOWN])

READ:UNKNOWN

TO: Alison Muscatine@eop (Alison Muscatine@eop [WHO])

READ:UNKNOWN

TO: Julie E. Mason@eop (Julie E. Mason@eop [WHO])

READ:UNKNOWN

TO: Heidi Kukis@OVP@EOP (Heidi Kukis@OVP@EOP [UNKNOWN])

READ:UNKNOWN

TO: Russell W. Horwitz@eop (Russell W. Horwitz@eop [OPD])

READ:UNKNOWN

TO: Julia R. Green@eop (Julia R. Green@eop [WHO])

READ:UNKNOWN

TO: Jeremy M. Gaines@eop (Jeremy M. Gaines@eop [WHO])

READ:UNKNOWN

TO: Paul K. Engskov@eop (Paul K. Engskov@eop [WHO])

READ:UNKNOWN

TO: Anne M. Edwards@eop (Anne M. Edwards@eop [WHO])

READ:UNKNOWN

TO: Steven A. Cohen@eop (Steven A. Cohen@eop [WHO])

READ:UNKNOWN

TO: Lori Anderson@eop (Lori Anderson@eop [WHO])

READ:UNKNOWN

TEXT:

Message Creation Date was at 18-SEP-1997 13:47:00

NPR: ALL THINGS CONSIDERED (NPR 8:00 pm ET)

SEPTEMBER 16, 1997, TUESDAY

SECTION: News; Domestic

HEADLINE: Fast Track Plan

BYLINE: John Ydstie, Washington, DC; Linda Wertheimer, Washington

HIGHLIGHT:

NPR's John Ydstie reports President Clinton has come up with long-awaited plan

for winning so-called "fast track" negotiation powers from Congress. Fast track would allow President Clinton to get an up or down vote from Congress on a

proposed trade deal without any amendments. The plan the president is expected

to unveil today will seek to woo Democrats who want future trade deals between

the U.S. and other countries to include strong protections for the U.S. on environmental and labor questions.

BODY:

LINDA WERTHEIMER, HOST: This is ALL THINGS CONSIDERED. I'm Linda Wertheimer.

ROBERT SIEGEL, HOST: And I'm Robert Siegel. The Clinton administration sent its controversial trade legislation to Congress today. And then sent its best salesman to Capitol Hill to persuade members of Congress to accept it. The climax was a visit to the Democratic Caucus by President Clinton and Vice President Gore. At issue is how much leeway the president will have to negotiate labor and environmental standards as part of trade agreements. Democrats and Republicans are sharply divided on the matter. As NPR's John Ydstie reports, the president's proposal is designed to lure members of his own party without sacrificing Republican support.

JOHN YDSTIE, NPR REPORTER: The legislation the president sent to Capitol Hill today asks the Congress for fast track authority. It would require lawmakers to vote up or down on certain big trade agreements without amendments. The idea is to keep Congress from nit-picking trade deals to death. Every president since Gerald Ford has had such authority. As he headed for Capitol Hill today, President Clinton called on the Congress to give it to him.

WILLIAM J. CLINTON, PRESIDENT OF THE UNITED STATES: The legislation I submitted today extends for four years the authority every American president has had for decades: to negotiate new agreements to tear down foreign barriers to our goods and our services; everything from computer equipment to chemicals. It will enable the United States to sell the world's fastest growing markets, regions where our competitors will step in if we retreat. It will help to create the high wage jobs that come from exports. And it will do this while allowing us to advance protections for workers' rights and the environment.

YDSTIE: The president tried to address the controversial labor and environment issues today, by tipping his hat to both sides. He proposes to make labor and environment issues part of trade agreements, but only if they are directly related to trade issues. If they're not directly related, the president proposes to handle them using his own executive authority in side agreements. That's the direction Republicans have wanted him to go. But it sounds a little too much like NAFTA to environmentalists, organized labor, and their Democratic allies in Congress. NAFTA included side agreements that labor and

environmentalists view as failures. So, AFL-CIO president John Sweeney was very skeptical of the president's proposal today.

JOHN SWEENEY, PRESIDENT, AFL-CIO: We have not seen the president's proposal yet, but the language that you just summarized is unacceptable to us and does not really address the issues as we see them in good trade agreements.

YDSTIE: But free trade Democrats like Robert Matsui of California emphasize the commitment to labor in President Clinton's proposal to Congress today, including making labor standards an issue at the World Trade Organization.

U.S. REPRESENTATIVE ROBERT MATSUI (D-CA): The fact that this administration is absolutely -- made its priority labor and environmental issues in terms of negotiating with these other countries is critical. And it may not happen in the next two months, but it may happen in the next year or so, and we need to start that process. And no other administration before this one has begun that process of talking about this issues at international forums.

YDSTIE: Whether the president's proposal will attract many Democrats remains to be seen. House Republican Leader Dick Armey said 50 Democrats will be needed to pass fast track legislation in the House. Today, he said it will be a tough job to get those votes. Senate Democratic Leader Tom Daschle said there's still some work to do on the president's proposal, but he said he held out hope a majority of Democrats would back it.

U.S. SENATOR TOM DASCHLE (D-SD), MINORITY LEADER: I think the short answer is that we're not there yet. We're still negotiating a number of issues, but the administration has come a long way. There is a specific reference to worker rights, to child labor, to issues relating to the environment. And so, in many of the areas that we have indicated to them we needed to see movement legislatively, there is very good movement.

YDSTIE: Another very important player, Republican Congressman Bill Archer of Texas, chairman of the Ways and Means Committee, also responded positively to the president's proposal. He called it a very constructive start.

John Ydstie, NPR News, Washington.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cynthia A. Rice (CN=Cynthia A. Rice/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:18-SEP-1997 11:36:09.00

SUBJECT: Re: AFL-CIO Conf. Call

TO: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Works for me too.

----- Forwarded by Cynthia A. Rice/OPD/EOP on 09/18/97
11:37 AM -----

Diana Fortuna
09/18/97 10:48:34 AM

Record Type: Record

To: Laura Emmett/WHO/EOP

cc: Cynthia A. Rice/OPD/EOP

Subject: Re: AFL-CIO Conf. Call

can do.

[illegible]

Vouchers: The AFL-CIO opposes efforts in Congress to promote vouchers for private schools. The Administration has threatened to veto both (1) the Coverdell amendment, which would allow penalty-free withdrawals from IRAs for education expenses (this might move in the Senate independently or as an amendment); and (2) a voucher plan in the D.C. Appropriations bill.

Standards & Testing: The American Federation of Teachers (part of the AFL-CIO) has been a strong supporter of the standards effort, and of the national tests in reading and math. (The tests were dealt a blow last week in the House, but a deal was struck in the Senate. The issue will be settled in Conference, and may result in a veto).

**Clinton Presidential Records
Automated Records Management System
[EMAIL] and Tape Restoration Project [Email]**

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies a responsive email, already made available within another FOIA request.

Bucket: OPD.

Creation Date: 1997-09-18.

FOIA: 2012-07-13-F.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Nicole R. Rabner (CN=Nicole R. Rabner/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:18-SEP-1997 13:26:48.00

SUBJECT: Re: Meeting with labor union women on Childcare Conference

TO: Robin Leeds (CN=Robin Leeds/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: Jennifer L. Klein (CN=Jennifer L. Klein/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

I just got this message from yesterday, and think this is a great idea. Jen and/or I would be happy to participate in this meeting. I think it makes sense to do on the early side, since once October comes, it will be harder to be responsive to the input and needs expressed in the meeting, but I defer to you entirely on when. Thanks.

Robin Leeds

09/17/97 04:36:14 PM

Record Type: Record

To: Jennifer L. Klein/OPD/EOP, Nicole R. Rabner/WHO/EOP

cc: Audrey T. Haynes/WHO/EOP, Sondra L. Seba/WHO/EOP

Subject:Meeting with labor union women on Childcare Conference

We are in the process of organizing a meeting with labor union women on the Childcare Conference. I have developed a list in coordination with Ida Castro and Karen Nussbaum (AFL-CIO) and would like to set a date as soon as possible. The AFL-CIO convention is 9/17 through 9/25, so we are looking at the remaining days of Sept. or the first week of October for a meeting. Please let me know what days work for you so we can pin down a date. I am also trying to find Mike King - do you have a number for him? Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:19-SEP-1997 10:29:34.00

SUBJECT: Re: POTUS mtg. w/ Auto Exec's

TO: Kristen E. Panerali (CN=Kristen E. Panerali/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

I'll take care of it. The mtg. w/ the heads of the Wash. offices of the Big 3 is tentatively set for next Wed. at 11 am. If Sperling ends up going w/ the POTUS to the AFL-CIO mtg., it will have to be changed.

Is that a time Dan could attend?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cynthia A. Rice (CN=Cynthia A. Rice/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:19-SEP-1997 12:57:46.00

SUBJECT: Worker protections/minimum wage re: AFL-CIO speech

TO: Lowell A. Weiss (CN=Lowell A. Weiss/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: Diana Fortuna (CN=Diana Fortuna/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Per our conversation --

In the AFL-CIO speech, the President should definately say something short and strong about worker protections/minimum wage issues in welfare reform. We worked closely with the labor movement to ensure that Congress didn't add to Balanced Budget Act a provision to undermine worker protections and the minimum wage for welfare recipients in workfare.

What the President said in the July 4th radio address this year -- "And I believe that every one of those new workers should earn at least the minimum wage and receive the protections of existing employment laws that other workers enjoy" -- will probably do. Please call me or Diana Fortuna if you need more language.

Below is the background Diana prepared for the VP's AFL-CIO conference briefing book on the subject.

Welfare Reform and Fair Labor Standards Act/Minimum Wage

Background: As you know, this summer we worked with the labor unions in a successful effort to defeat Republican legislation that would have weakened labor protections for welfare recipients in workfare programs. The dispute began in May when the Department of Labor issued its legal opinion that labor protections in current law -- including the minimum wage, health and safety laws, and anti-discrimination protections. Governors of both parties argued strongly that this would make workfare prohibitively expensive and create excessive administrative burdens on states. They worked with Republicans on proposals to limit the application of labor laws, as well as to reduce the welfare law ,s work requirements to make it easier for states to comply.

Governors also objected loudly to having to pay payroll taxes for those on workfare, even though the Treasury Department has not yet ruled on whether FICA and FUTA taxes apply. (The Balanced Budget Act made them ineligible for the EITC, with our support.) The FICA/FUTA exemption is the only issue where we have indicated any willingness to compromise. In fact, we agreed to such an exemption as part of a last-minute compromise that fell apart for other reasons.

Since the signing of the Balanced Budget Act, the Republican leadership has called this a top priority for the remaining weeks of the session. In August, Speaker Gingrich said &the Clinton Administration, working with the unions and the bureaucrats, is trying to undermine and destroy welfare reform. 8 Many Governors, including Carper and Chiles, remain very unhappy about our position on this issue.

Current Status: House Ways and Means Human Resources Subcommittee Chairman Clay Shaw is quietly trying to garner bipartisan support among Governors and House members for a bill to address state concerns. The Administration has taken no position on it yet, but the confidential draft we have seen has two major problems. First, it appears to weaken labor protections. Although Shaw has stated that it is not his intention to weaken labor protections, other Republicans may insist that these provisions remain in the bill. Indeed, we have heard that some Republicans will try to strengthen these anti-union provisions. Our preliminary understanding is that the unions very much dislike the draft bill.

Second, Shaw's draft bill significantly weakens the welfare law's work requirements. It requires states to pay the minimum wage for work experience and community service programs, but it limits the number of work hours to what states can afford to pay, based on the amount of their welfare grant plus food stamps. The balance of a recipient's time could be spent on job search and education activities. Thus, a welfare recipient could work 10 hours a week and do 10 hours of job search. Also, there is a concern that the legislation's definition of work experience and community service may be so broad that nearly all subsidized work could be defined as such, allowing low benefit states to require less than 20 hours of work from nearly all their working recipients. The bill would also exempt welfare positions from FICA and unemployment taxes, which we indicated during the balanced budget negotiations that we were willing to do.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Paul E. Begala (CN=Paul E. Begala/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:19-SEP-1997 17:51:42.00

SUBJECT: Fast Track Ads

TO: cbarshefsky (cbarshefsky @ ustr.gov @ INET @ LNGTWY [UNKNOWN])

READ:UNKNOWN

TO: Gene B. Sperling (CN=Gene B. Sperling/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Rahm I. Emanuel (CN=Rahm I. Emanuel/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Jason Berman (CN=Jason Berman/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Victoria Radd (CN=Victoria Radd/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

I'm told that the AFL-CIO is only running ads in 13 targeted House districts, but they're putting heavy points behind them, in an effort to influence the Members. One of the folks they targeted is David Skaggs of Colorado. Since Skaggs has now endorsed the President's position on fast track, it will be interesting to watch whether the AFL follows through with their buy in Skaggs' district, just to punish him. If they don't, we can make a powerful argument to wavering members to commit now, before the AFL turns its heavy media guns on you. Jon Orszag, boy genius, is watching this for us.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jonathan Orszag (CN=Jonathan Orszag/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:22-SEP-1997 13:22:12.00

SUBJECT: Skaggs/AFL-CIO

TO: Paul E. Begala (CN=Paul E. Begala/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Paul:

According to Squier's shop, the AFL is going to punish Skaggs. I am still waiting to hear if they reduced their buy. But they definitely are staying in for this week -- according to what I was told. Will keep you up-to-date.

Jon

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Paul J. Weinstein Jr. (CN=Paul J. Weinstein Jr./OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:22-SEP-1997 10:51:37.00

SUBJECT: Trip to Pittsburgh, Little Rock and Houston

TO: Christa Robinson (Christa Robinson @ EOP @ LNGTWY [OPD])

READ:UNKNOWN

TEXT:

----- Forwarded by Paul J. Weinstein Jr./OPD/EOP on
09/22/97 10:51 AM -----

Sean P. Maloney

09/22/97 09:44:01 AM

Record Type: Record

To: See the distribution list at the bottom of this message

CC:

Subject:Trip to Pittsburgh, Little Rock and Houston

On Wednesday, September 24, the President will travel to Pittsburgh to address the AFL-CIO Convention and attend a DNC lunch. From there he will travel to Little Rock, where, on Thursday, he will lead the 40th anniversary commemoration of the Central High desegregation and attend a Congressional Medal of Honor Society Reception. On Friday, the President will travel to Houston, TX for a message event and a DNC dinner. He will then return to Little Rock. Over the weekend of September 27-28, the President will attend a number of events in Arkansas and then return to Washington on Sunday evening.

Deadlines for the President's trip book are as follows:

PA, AR and TX Background Memos: DUE TUESDAY, SEPT. 23 AT NOON

- Political Memos
- Economic 1-Pagers
- CEQ Hot Issues
- Cabinet Affairs Hot Issues
- Accomplishments

PA & AR Event Memos: DUE TUESDAY, SEPT. 23 AT 6:00 PM

- AFL-CIO Event
- DNC Lunch (Pittsburgh)
- Central High and Related Events/Meetings
- Cong'l Medal of Honor Reception

TX & AR (Part II) Event Memos: DUE THURSDAY, SEPT. 25 AT 3:00 PM

- Houston Message Event
- Houston DNC Dinner
- Radio Address
- Arkansas weekend events, as warranted

Please call or e-mail me if you have any questions. Thanks.

Message Sent

To:

Lori L. Anderson/WHO/EOP
Brenda M. Anders/WHO/EOP
Kris M Balderston/WHO/EOP
Nicholas R. Baldick/WHO/EOP
Barbara A. Barclay/WHO/EOP
David S. Beaubaire/WHO/EOP
Debra D. Bird/WHO/EOP
Emily Bromberg/WHO/EOP
Laura K. Capps/WHO/EOP
Jose Cerda III/OPD/EOP
Daniel K. Chang/CEA/EOP
Carolyn E. Cleveland/WHO/EOP
Michael Cohen/OPD/EOP
Catherine A. Cornelius/WHO/EOP
Brenda B. Costello/WHO/EOP
Suzanne Dale/WHO/EOP
Jennifer D. Dudley/WHO/EOP
Maria Echaveste/WHO/EOP
Anne M. Edwards/WHO/EOP
Paul K. Engskov/WHO/EOP
Shelley N. Fidler/CEQ/EOP
Karen E. Finney/WHO/EOP
Andrew Friendly/WHO/EOP
Jeremy M. Gaines/WHO/EOP
D. Stephen Goodin/WHO/EOP
Laura A. Graham/WHO/EOP
Jason S. Goldberg/WHO/EOP
Julia R. Green/WHO/EOP
Nancy V. Hernreich/WHO/EOP
Russell W. Horwitz/OPD/EOP
Katherine Hubbard/WHO/EOP
Phu D. Huynh/WHO/EOP
Cynthia M. Jasso-Rotunno/WHO/EOP
Cynthia M. Jasso-Rotunno/WHO/EOP
Elena Kagan/OPD/EOP
Kirk T. Hanlin/WHO/EOP
Joshua A. King/WHO/EOP
Karin Kullman/WHO/EOP
Sara M. Latham/WHO/EOP
Christopher J. Lavery/WHO/EOP
Ann F. Lewis/WHO/EOP
Bruce R. Lindsey/WHO/EOP
Joseph P. Lockhart/WHO/EOP
Sylvia M. Mathews/WHO/EOP
Andrew J. Mayock/WHO/EOP
Anne E. McGuire/WHO/EOP
Megan C. Moloney/WHO/EOP
Linda L. Moore/WHO/EOP
Minyon Moore/WHO/EOP
Kevin S. Moran/WHO/EOP
Mary Morrison/WHO/EOP
Elizabeth R. Newman/WHO/EOP
Peter R. Orszag/OPD/EOP

Jennifer M. Palmieri/WHO/EOP
Simeona F. Pasquil/WHO/EOP
John Podesta/WHO/EOP
Sarah J. Reber/CEA/EOP
Christa Robinson/OPD/EOP
Dan K. Rosenthal/WHO/EOP
Laura D. Schwartz/WHO/EOP
Jake Siewert/OPD/EOP
Joshua Silverman/WHO/EOP
Stephen B. Silverman/WHO/EOP
Craig T. Smith/WHO/EOP
Todd Stern/WHO/EOP
Darby E. Stott/WHO/EOP
Aviva Steinberg/WHO/EOP
Stephanie S. Streett/WHO/EOP
Jordan Tamagni/WHO/EOP
Marjorie Tarmey/WHO/EOP
Michael V. Terrell/CEQ/EOP
Barry J. Toiv/WHO/EOP
June G. Turner/WHO/EOP
Peter G. Umhofer/CEQ/EOP
Beth A. Viola/CEQ/EOP
Michael Waldman/WHO/EOP
Kathleen M. Wallman/WHO/EOP
Ann F. Walker/WHO/EOP
Christopher Wayne/WHO/EOP
Christopher F. Walker/WHO/EOP
Dorian V. Weaver/WHO/EOP
Paul J. Weinstein Jr./OPD/EOP
Daniel Wexler/WHO/EOP
Cecily C. Williams/WHO/EOP
Jonathan H. Adashek/WHO/EOP
Jon P. Jennings/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jennifer L. Klein (CN=Jennifer L. Klein/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:22-SEP-1997 10:54:14.00

SUBJECT: Re: Roundtable discussion with labor union women on childcare conference

A meeting time has been set for Monday, 9/29 from 4 - 5 pm. in the President's Crime

TO: Robin Leeds (CN=Robin Leeds/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

That's fine with me. It is important for Joan to be there.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:22-SEP-1997 12:55:08.00

SUBJECT: Re: fyi-draft of afl-cio speech

TO: Lowell A. Weiss (CN=Lowell A. Weiss/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

thanks!!!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:23-SEP-1997 17:11:55.00

SUBJECT: GENE SHOULD KNOW ...

TO: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TEXT:

The 4PM AFL CIO meeting was a debate about how far to go on fast track in the speech. Erskine feels very strongly that the strong fast track paragraph stay in. (page 4) There was also considerable debate about whether to say: let's not let one issue trump all others. The decision was that it should stay.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Julia R. Green (CN=Julia R. Green/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:23-SEP-1997 18:20:57.00

SUBJECT: Re: Fact Sheet for AFL-CIO Speech

TO: Jake Siewert (CN=Jake Siewert/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

THANK YOU! We'll put out tomorrow unless paged oherwise.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:23-SEP-1997 11:11:32.00

SUBJECT: URGENT -- AFL CIO Briefing Materials for the President

TO: Jonathan Orszag (CN=Jonathan Orszag/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Kathleen M. Wallman (CN=Kathleen M. Wallman/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Robert N. Weiner (CN=Robert N. Weiner/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Ellen S. Seidman (CN=Ellen S. Seidman/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Peter R. Orszag (CN=Peter R. Orszag/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Marc A. Silverman (CN=Marc A. Silverman/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Robert M. Shireman (CN=Robert M. Shireman/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Diana Fortuna (CN=Diana Fortuna/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Please review the attached document and send updates back to me no later than 2 PM. Pls send comment via e-mail -- DO NOT changed the underlying document.===== ATTACHMENT 1 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D18]MAIL49213456F.216 to ASCII,
The following is a HEX DUMP:

FF57504306080000010A020100000002050000000C566000000020000BE43A51901B642F4C33A1B
DD6F7A15D6B4563DA286B3BB569778C8209B5C9702E4C56E829C473990B1A506D43ECDE6530AB7
73EC0368BE6EA61DA5C0E644240E6067CA006A364E9ABBD48269C43D8C978664A69875C9F2C996
135638098DA33C22544244A96A8FE772C495FA616327E86EF665D8D3342C4B389CFA0A2CA7A516
EF0382B549DF00E736B771C29B4BF764D15128F66063CB19542710A4236E729719B2FF2F9614F9
4897F8D8B7F01068A70E700B45AABE10228D9BC06B687ABAA4C7578B3FDA1CEB1CE523A22E1C68
B9FB7A6C84EBF22CA00F00F39936DB8C90598DD71BB6DF73059405998771E35AB73F230A3BD543
0E7A09DF15263363387D91777C4B8113D43D5A5F7433652D6AEE0720BCA66208906445A481AD36
3B796A67F8CF46B490F3838DF2B83945E5AAB75EE3EAFEEC5F5BF40CCB1F8001E6C44C1FF8FCD3

LABOR ISSUES BRIEFING

September 18, 1997

WELFARE REFORM

Fair Labor Standards Act/Minimum Wage: As you know, this summer we worked with the labor unions in a successful effort to defeat Republican legislation that would have weakened labor protections for welfare recipients in workfare programs. The dispute began in May when the Department of Labor issued its legal opinion that labor protections in current law -- including the minimum wage, health and safety laws, and anti-discrimination protections. Governors of both parties argued strongly that this would make workfare prohibitively expensive and create excessive administrative burdens on states. They worked with Republicans on proposals to limit the application of labor laws, as well as to reduce the welfare law's work requirements to make it easier for states to comply.

Governors also objected loudly to having to pay payroll taxes for those on workfare, even though the Treasury Department has not yet ruled on whether FICA and FUTA taxes apply. (The Balanced Budget Act made them ineligible for the EITC, with our support.) The FICA/FUTA exemption is the only issue where we have indicated any willingness to compromise. In fact, we agreed to such an exemption as part of a last-minute compromise that fell apart for other reasons.

Since the signing of the Balanced Budget Act, the Republican leadership has called this a top priority for the remaining weeks of the session. In August, Speaker Gingrich said "the Clinton Administration, working with the unions and the bureaucrats, is trying to undermine and destroy welfare reform." Many Governors, including Carper and Chiles, remain very unhappy about our position on this issue.

Current Status: House Ways and Means Human Resources Subcommittee Chairman Clay Shaw is quietly trying to garner bipartisan support among Governors and House members for a bill to address state concerns. The Administration has taken no position on it yet, but the confidential draft we have seen has two major problems. First, it appears to weaken labor protections. Although Shaw has stated that it is not his intention to weaken labor protections, other Republicans may insist that these provisions remain in the bill. Indeed, we have heard that some Republicans will try to strengthen these anti-union provisions. Our preliminary understanding is that the unions very much dislike the draft bill.

Second, Shaw's draft bill significantly weakens the welfare law's work requirements. It requires states to pay the minimum wage for work experience and community service programs, but it limits the number of work hours to what states can afford to pay, based on the amount of their welfare grant plus food stamps. The balance of a recipients' time could be spent on job search and education activities. Thus, a welfare recipient could work 10 hours a week and do 10 hours of job search. Also, there is a concern that the legislation's definition of "work experience" and "community service" may be so broad that nearly all subsidized work could be defined as such, allowing low benefit states to require less than 20 hours of work from nearly all their "working" recipients. The bill would also exempt workfare positions from FICA and unemployment taxes, which we indicated during the balanced budget negotiations that we were willing to do.

Shaw originally planned to unveil this legislation this week, but problems with the Republican caucus have pushed it back at least to next week. He apparently plans to move the measure as a separate piece of legislation.

Privatization of Welfare Programs: Labor unions, particularly AFSCME and SEIU, have waged a major fight against state efforts to privatize their welfare, food stamp, and Medicaid functions. Last year's welfare law allowed states to privatize the TANF welfare program without federal approval, and some are moving to do so (Wisconsin, for example). However, states can privatize food stamps and Medicaid only with permission from the federal government.

After the Administration denied the state of Texas' request to privatize food stamp and Medicaid earlier this year, the Republicans launched an effort to overturn this decision through legislation. As part of negotiations for the balanced budget agreement, we agreed to a provision allowing Texas to privatize its Medicaid and food stamp provisions in part of the state. In the end, however, Governor Bush rejected this compromise approach, and the legislation did not allow for any privatization.

Current Status: In contrast to the workfare fight, the Republicans have not resurrected the privatization issue so far this fall.

The Administration has requests pending from Arizona and Wisconsin to privatize food stamp and Medicaid functions. The Department of Agriculture is required by law to take some action by October 3 on the Arizona request, which affects only 20% of the state. We are discussing how to respond. There is no such deadline for Wisconsin.

Welfare to Work: DOL has released \$1.1 billion in welfare to work formula and competitive grants thus beginning implementation of the \$3 billion Welfare to Work program we won in the Balanced Budget Agreement. The grants aim to create job opportunities for the hardest to employ welfare recipients.

PROCUREMENT REFORM

Background: On February 18, 1997, you announced to the AFL-CIO new initiatives (1) to deny federal contracts to companies with an unsatisfactory record of labor relations and (2) to prevent contractors from receiving reimbursement from the federal government for money spent defending against unfair labor practice charges and opposing union representation. You also announced that the President would issue an Executive Order encouraging federal agencies to consider using project labor agreements in their construction.

We prepared the Project Labor Agreement order first. When a draft leaked, Senate Republican leaders held Alexis Herman's nomination based on their objections. Ultimately, we negotiated a compromise whereby we issued essentially the same Executive Order as a Presidential Memorandum.

On the contracting responsibility proposal, we received objections from Senator Lott, Congressmen Hoekstra and Fawell, and industry groups, as well as a separate objection from 10 House leaders. A key issue regarding that proposal is how to determine if a contractor has a satisfactory record of labor relations -- whether the determination should turn on adjudicated violations of the labor laws, alleged violations, or a more general assessment of employee relations.

In the aftermath of the PLA experience, based on discussions involving, among others, the staffs of Senators Kennedy and Daschle, the AFL-CIO, and the White House, the drafting process was put on hold while we considered the appropriate standard. Based on recent discussions, we expect shortly to produce proposed regulations that do not take the broadest approach.

In addition, on an entirely different track, Congressman Evans and Senator Durbin have introduced legislation that would debar federal contractors for violations of the NLRA or OSHA provisions. The Administration has not taken a position on this legislation.

Talking Points: I announced on February 18, 1997 that the President would act to encourage federal agencies to consider project labor agreements on federal construction projects. After a great deal of give and take with Congress, the President issued a memorandum on June 5 directing all federal agencies to do just that. I am proud that of this sensible improvement in government contracting, which recognizes the efficiencies organized labor can offer.

I also announced in February that we would propose new initiatives to deny reimbursement of money spent by federal contractors in defending against unfair labor practice charges and seeking to influence union representation votes. And I suggested that in determining whether a company bidding for government contracts is a responsible contractor, we consider its record of labor relations and employment practices.

We are continuing to work on these proposals, to craft something that is fair, practical, and able to withstand the assault we can expect from Republicans in Congress. We hope to be presenting these proposals shortly.

EDUCATION & TRAINING

Vouchers: The AFL-CIO opposes efforts in Congress to promote vouchers for private schools. The Administration has threatened to veto both (1) the Coverdell amendment, which would allow penalty-free withdrawals from IRAs for education expenses (this might move in the Senate independently or as an amendment); and (2) a voucher plan in the D.C. Appropriations bill.

Standards & Testing: The American Federation of Teachers (part of the AFL-CIO) has been a strong supporter of the standards effort, and of the national tests in reading and math. (The tests were dealt a blow last week in the House, but a deal was struck in the Senate. The issue will be settled in Conference, and may result in a veto).

Job Training: The Administration is making progress on its agenda to reform job training programs by empowering workers with Skill Grants. The House passed its version of reform legislation earlier this year and Senators Jeffords and Kennedy have just introduced a bill which incorporates many of the principles of the President's GI Bill for America's Workers.

SAFETY AND HEALTH

OSHA Funding: The Administration requested a 6% increase in funding for Fiscal Year 1998. House and Senate-passed appropriations bills reduced the increase to 3%, or \$11 million over the FY 1997 spending level. We have consistently fought significant budget cuts.

OSHA Enforcement: As part of OSHA's reinvention efforts, the Agency has placed greater emphasis on compliance and less on enforcement. The AFL CIO was very critical of the resulting decline in inspections during the first Administration. In part because of this criticism, inspections in the first three quarters of 1997 are up 32% from Fiscal Year 1996.

Ergonomics: OSHA is working to combat cumulative trauma and other repetitive stress disorders - one of the fastest growing workplace injuries; its four part strategy includes education and outreach; study and analysis; enforcement; and rulemaking. There have been 91 federal OSHA ergonomic investigations so far in FY 1997. Though the FY 1998 bill prohibits OSHA from issuing a final or proposed rule before October 1, 1998, work continues on the development of a standard.

LABOR LAW

The TEAM Act: The TEAM Act would effectively repeal a key provision of the National Labor Relations Act which prohibits employers from dominating worker organizations. President Clinton vetoed the TEAM Act in 1996. The bill was reintroduced this year and reported favorably by the Senate Labor Committee. At the AFL CIO Executive Council in February you reiterated that the President will veto “any bill that undermines the collective bargaining process or permits company unions filled with employers’ hand picked representatives.”

You may be asked about an amendment that Senator Bingaman is circulating. Although the Bingaman amendment aims to narrow the scope of the TEAM Act, thereby making it acceptable to Democrats, it still allows many circumstances where employers may select employee representatives and create company unions. Thus it violates the basic premise of workplace democracy that employees should be able to democratically select their representatives when dealing with their employer over issues of wages, work hours and working conditions.

The Administration has not taken a **public** position on Bingaman’s proposal.

Comp Time/Flex Time: The President has called for responsible comp time legislation and said he will veto any bill unless it: (I) gives employees real choice, (ii) protects workers against abuse and (iii) preserves the 40 hour work week. The Administration has said it will veto both the House passed Ballenger bill and the Ashcroft bill currently pending in the Senate because they fail the three part test.

Davis-Bacon & Service Contract Act

Davis-Bacon & the Service Contract Act require payment of prevailing wages and fringe benefits to workers engaged in federal construction & service projects. Both laws are regularly under assault in the Congress, but there are no pending legislative initiatives to repeal or amend the statute. If asked, you should reiterate as you did in February that we will veto attempts to repeal them.

The wage survey used by the Department of Labor to determine the prevailing rate have been flawed. The Department is working to improve their accuracy and timeliness. The building trades unions support the Department’s efforts, but oppose using BLS data as a substitute for the current wage survey process.

LABOR DISPUTES

UPS Pilots: Negotiations between UPS and its 2,000 *pilots*, represented by the Independent Pilots Association (IPA),

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Amtrak: Amtrak's unions have been in negotiations since early 1995. On August 5, the Brotherhood of Maintenance of Way Employees (BMWE) rejected the National Mediation Board's offer to arbitrate the dispute with Amtrak, triggering a 30-day cooling off period that was to end on September 5. However, on August 21, President Clinton appointed an emergency board to investigate and make recommendations within 30 days. The PEB's report will be followed by an additional 30-day cooling off period.

PRIVATIZATION OF THE EMPLOYMENT SERVICE

Michigan: Governor Engler recently issued an Executive Order that would allow for the privatization of the Michigan Employment Service. Approximately 400 merit-staffed State employees, represented by SEIU, would be affected by the Executive Order, scheduled to effect

on October 6. The Department of Labor directed the Michigan Jobs Commission to suspend implementation of the reorganization plan. The Department has not made a final decision on the legality of Michigan's plan.

Texas: A request by the State of Texas to privatize its Employment Service is on hold. Last spring, HHS rejected Texas' plan to privatize portions of its Medicaid and Food Stamps program.

Other states are closely watching the Michigan situation; New York, Illinois and Pennsylvania are considering similar privatization efforts.

OTHER ISSUES OF INTEREST TO THE AFL CIO & ITS MEMBERS

International Linkages and Offsets in Aerospace

The International Association of Machinists and Aerospace Workers (IAM) is sharply critical of U.S. aerospace producers' willingness to provide foreign production contracts in exchange for aircraft sales, which they believe transfers jobs and technology in the short run and, over the longer run, creates new foreign competitors. Boeing and other U.S. producers defend these voluntary international linkages as essential for gaining access to the most rapidly growing markets (70% of Boeing aircraft are exported) and for sharing financial risk. In the case of mandatory offsets, U.S. producers maintain that -- while they would prefer not to provide them -- they are the price of getting foreign sales.

In June, the NEC sponsored a workshop at the National Academy of Sciences on "Policy Issues in Aerospace Offsets."

Although there is no consensus within the Administration on how to deal with the offsets issue, we are committed to analyzing and better understanding the offsets issue, encouraging dialogue among the various interests on this issue; and continuing to take action to reduce government-mandated offsets through multilateral agreements and bilateral discussions.

Pensions: Since the start of the Administration, we have taken strong legislative and administrative action to enhance the ability of Americans to save for retirement and to protect the security of those savings. The Retirement Protection Act, proposed in 1993 and enacted in 1994, has put traditional defined benefit plans and the Pension Benefit Guaranty Corporation back on a firm footing, protecting the security of over 40 million workers who participate in those plans. In 1996, we passed major pension simplification legislation and took strong administrative steps, which appear to be meeting their goals of expanding coverage, increasing portability and enhancing security. Unfortunately, Congress has not supported the Administration's efforts to do right by the multi employer plans that many union members depend on. We will continue to work to increase the guarantee, and to make other simplifying changes that will enhance the benefits available under these plans.

Credit Unions: Credit unions and banks are engaged in a judicial and legislative battle over whether a single credit union can serve employees of many different and totally unrelated companies, or whether this violates both the letter and spirit of the Credit Union Act under which credit unions do not pay taxes (and are exempt from the Community Reinvestment Act). Credit

unions generally have a good record of serving, at relatively low cost, lower income workers who have straight-forward and relatively small financial needs. The Treasury Department is in the middle of a statutorily-required study on the regulation of credit unions, and the Administration has carefully NOT taken a position on the bank/credit union issue, except that -- for reasons related to administrative law, not the substance of the case -- the United States is on the credit unions' side in the Supreme Court. This does not seem to be a top-of-mind issue for labor; labor unions sponsor both credit unions and banks.

Product Liability Reform: Labor has consistently opposed attempts to enact federal legislation that would alter state law concerning product liability, mainly because most federal legislation that has been proposed in the last 15 years has been extremely pro-defendant. The President vetoed a product liability bill in 1996, but stated that he was for "sensible product liability reform," and set out particular issues that needed to be addressed. Congress is currently considering new product liability legislation, which both House and Senate leadership hope to bring to the floor before the recess. Although the bills currently do not meet the President's standards, Senator Rockefeller is attempting to craft a solution that will meet our objections. Labor will probably not be happy if this effort succeeds.

Securities law preemption: While labor in general has been less interested in the issue of limitations on the right to sue under the securities laws than it is in product liability reform, they also opposed the Private Securities Litigation Reform Act, which was passed over the President's veto. Business is now trying to extend that statute by getting Congress to enact legislation to preempt most state securities fraud actions. Business thinks the President has indicated support of their position, but the situation is somewhat more murky. Even if we support some sort of preemption, it is unlikely to be as broad as that proposed by the business community.

Electricity Restructuring: Many states have begun restructuring their electrical utilities to afford consumers "retail choice" - the ability to select their electric power provider much like they now select their long distance company. Several federal bills have been introduced, too, and the Administration has been considering whether to offer its own bill. The Department of Energy has estimated that the savings to consumers resulting from retail choice could be over \$10 billion per year. The policy process in the Administration on this issue has been underway since April, when the NEC began convening twice-weekly meetings of an interagency group to develop recommendations about the Administration's position. The interagency task force was made up of representatives from nearly all of the cabinet departments, including Labor, and many of the independent federal agencies in an expert advisor capacity.

The NEC staff (Kathy Wallman and Marc Silverman) have met with the International Brotherhood of Electrical Workers (IBEW) and assured them that we will continue to consult with them throughout this process. A major concern of labor is that restructuring will lead to a reduction in the number of jobs available to their rank and file in the electricity industry. They also point out that the consumer benefits may not be shared by all, particularly residential customers, and warn that large consumers may benefit while residential rates increase. The IBEW feels strongly that there should be no federal mandate on electricity restructuring. Instead, labor would prefer that the process of restructuring be left to individual states to decide on competition. There is also concern on labor's part that competition could lead to diminished reliability as utilities cut back on spending to become more efficient and profitable.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Emily Bromberg (CN=Emily Bromberg/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:23-SEP-1997 09:57:30.00

SUBJECT: flsa

TO: Elena Kagan (CN=Elena Kagan/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

I finally understand from Mickey what he wants: a meeting on FLSA with Karen T. , you/Bruce, Craig, me to talk about our strategy on FLSA. He thinks its "vital" to have Karen there. Mickey is going to a meeting with the Democratic Gobs in VT this weekend and wants a meeting before then. Rahm is going to the DGA meeting as well, so we should invite him to the FLSA meeting, although he won't attend.

Could you set this meeting up? I guess Karen is at AFL-CIO meeting and won't be back until Thursday. Let me know. Thanks.

[illegible]

THE ECONOMY UNDER PRESIDENT CLINTON: MORE MONEY IN WORKING FAMILIES' POCKETS

In the 15 years before President Clinton took office, America's families worked harder just to stay afloat. Since 1992, however, these families have seen their economic well-being improve as the economy strengthened and President Clinton ensured that government worked better for America's working families. Across the income spectrum, families are better off -- they have more money in their pockets and they are more confident about their future than any other time in the last two decades.

- **Family Incomes Up \$1,600.** According to the Bureau of the Census, real median family income in 1995 was \$1,600 higher than it was two years earlier. [Source: Bureau of the Census]
- **Expanded EITC Puts Money Back in Working Families' Pockets.** The President fought for a substantial expansion in the Earned Income Tax Credit in 1993 -- the average family with two kids who received the EITC got a tax cut of \$1,026. [Source: Department of Treasury]
- **Minimum Wage Hike Increases Pay By \$1,800 for Full-Time Worker.** On September 1, 1997, the minimum wage will increase to \$5.15 per hour for nearly 10 million workers. For someone working at \$4.25 per hour, that's a raise of 90-cents per hour -- or \$1,800 per year for a full-time worker.
- **\$500 Child Tax Credit For 27 Million Families with 45 Million Children Under Age 17.** The balanced budget legislation that the President negotiated with the Congress includes a \$500 per-child tax credit for children under age 17. Because of the President's efforts, 13 million children from families with incomes below \$30,000 will receive the tax credit -- up to 7.5 million more than under the House plans. [Source: Department of the Treasury]
- **Education Tax Breaks.** The balanced budget deal also includes a \$1,500 Hope Scholarship to make the first two years of college universally available, and a 20-percent tuition tax credit for college juniors, seniors, graduate students, and working Americans pursuing lifelong learning. For a student attending the average 4-year college, these education tax incentives will provide tax savings of up to \$5,000. [Source: Department of the Treasury]
- **Nearly 13 Million New Jobs in 4½ Years.** Since President Clinton took office, nearly 13 million new jobs have been created -- over two-thirds in job categories paying above the median wage. The unemployment rate has fallen from 7.5 percent in 1992 to 4.9 percent today -- that's as low as it's been in 24 years. [Source: BLS]
- **Lower Mortgage Rates Saving Families Thousands.** According to the *New York Times* and *Money*, lower interest rates as a result of the President's 1993 Economic Plan saved 10 million families who refinanced their home mortgage between \$1,000 and \$2,000 per year.
- **Capital Gains Tax Cut for Homeowners.** The Balanced Budget Act eliminates capital gains taxes for up to \$500,000 in gains from selling a home. This exclusion replaces the one-time \$125,000 exclusion previously available for taxpayers over age 55. [Source: Department of the Treasury]
- **Closing Costs Reduced By \$1,200 For First-Time Homebuyers.** President Clinton has reduced closing costs for FHA loans three times -- these reductions, along with savings passed on to homebuyers from increased efficiency in the FHA, will save homebuyers \$1,200 in closing costs on the average FHA mortgage of \$85,000. [Source: HUD]

Family #1-- The Smith Family
SINGLE MOTHER WITH TWO KIDS
EARNING THE MINIMUM WAGE

WHY THE SMITH FAMILY IS BETTER OFF

I.	MINIMUM WAGE INCREASE	\$1,800
II.	EXPANDED EARNED INCOME TAX CREDIT	\$1,294
AMOUNT BETTER OFF:		\$3,094

Explanation: Since Ms. Smith works full-time, year-round at the minimum wage, the increased minimum wage the President fought for will raise her earnings by \$1,800 per year (90 cents per hour times 2,000 hours per year). If President Clinton had not expanded the Earned Income Tax Credit (EITC), the Smith family would have received an EITC of \$2,106. Under the new law, the family will receive an EITC of \$3,400 -- that's an increase of \$1,294 per year.

Family #2 -- The Jones Family
FAMILY EARNING \$65,000 WITH ONE 13-YEAR OLD SON
AND ONE 18-YEAR OLD DAUGHTER IN COLLEGE

WHY THE JONES FAMILY IS BETTER OFF

I.	INCREASE IN REAL PRE-TAX INCOME	\$
II.	REFINANCED THEIR HOME AT LOWER RATES	\$
III.	CHILD TAX CREDIT	\$
		5
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IV.	EDUCATION TAX CREDIT	\$1,500
AMOUNT BETTER OFF:		\$

Explanation: According to the Bureau of the Census, since 1993, the real income of families similar to the Jones family increased from \$63,597 to \$65,124 in 1995, adjusted for inflation. Experts -- including Alan Greenspan -- agree that President Clinton's 1993 Economic Plan helped lower interest rates. As the *New York Times* wrote: "In 1993 alone, six million homeowners, most of them solidly middle class, refinanced their mortgages because of the lower rates. Most of these families locked in rates two percentage points or so lower than their previous mortgages. On a standard 30-year fixed mortgage of \$100,000, for example, the monthly savings was \$139 a month, or \$1,668 a year." [August 3, 1996] The balanced budget deal also helps the Jones family by providing

a \$500 child tax credit for their 13-year old son and \$1,500 HOPE scholarship tax credit for their 18-year old daughter in college.

Family #3 -- The Johnson Family
FAMILY WITH 16-YEAR OLD AND 8-YEAR OLD SONS AND
12-YEAR OLD DAUGHTER AND INCOME OF \$42,000

WHY THE JOHNSON FAMILY IS BETTER OFF

I.	INCREASE IN REAL PRE-TAX INCOME	\$1,088
II.	CHILD TAX CREDIT	\$1,500

AMOUNT BETTER OFF: \$2,588

Explanation: According to the Bureau of the Census, since 1993, the real income of families similar to the Johnson family increased from \$40,914 to \$42,002 in 1995, adjusted for inflation. The balanced budget deal also helps the Jones family by providing a \$500 child tax credit for each of their three children -- a tax benefit of \$1,500 per year.

Family #4 -- The Green Family
FAMILY WITH TYPICAL INCOME, \$100,000 MORTGAGE, AND
A DAUGHTER WHO IS A JUNIOR IN COLLEGE

WHY THE GREEN FAMILY IS BETTER OFF

I.	INCREASE IN REAL PRE-TAX INCOME	\$
II.	REFINANCED THEIR HOME AT LOWER RATES	\$
III.	EDUCATION TAX CREDIT	\$1,000

AMOUNT BETTER OFF:

Explanation: According to the Bureau of the Census, since 1993, the real income of families similar to the Green family increased from \$38,980 to \$40,611 in 1995, adjusted for inflation. Experts -- including Alan Greenspan -- agree that President Clinton's 1993 Economic Plan helped lower interest rates. As the *New York Times* wrote: "In 1993 alone, six million homeowners, most of them solidly middle class, refinanced their mortgages because of the lower rates. Most of these families locked in rates two percentage points or so lower than their previous mortgages. On a standard 30-year fixed mortgage of \$100,000, for example, the monthly savings was \$139 a month, or \$1,668 a year." [August 3, 1996] The balanced budget deal also helps the Green family by providing a 20 percent tax credit on the first \$5,000 of their daughter's college tuition.

Family #5 -- The Brown Family
YOUNG COUPLE EARNING \$40,600 WITH INFANT CHILD,
AND ARE FIRST-TIME HOMEBUYERS

WHY THE BROWN FAMILY IS BETTER OFF

I.	INCREASE IN REAL PRE-TAX INCOME	\$1,631
II.	CHILD TAX CREDIT	\$500
III.	REDUCED FHA CLOSING COSTS FOR FIRST-TIME HOMEBUYERS	\$1,200

AMOUNT BETTER OFF: \$3,331

Explanation: According to the Bureau of the Census, since 1993, the real income of families similar to the Brown family increased from \$38,980 to \$40,611 in 1995, adjusted for inflation. The balanced budget deal also helps the Brown family by providing a \$500 child tax credit for their infant child. On an average FHA mortgage of \$85,000, President Clinton has reduced closing costs three times. The three reductions -- along with savings passed on to homebuyers because of increased efficiency in the FHA -- save homebuyers \$1,200.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jason S. Goldberg (CN=Jason S. Goldberg/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:23-SEP-1997 14:31:10.00

SUBJECT: AFL-CIO SPEECH MTG. 4:00 PM in ERSKINE'S OFFICE TODAY - TODAY

TO: MICHELLE (Pager) #CRISCI (MICHELLE (Pager) #CRISCI [UNKNOWN])

READ:UNKNOWN

TO: LOWELL (Pager) #WEISS (LOWELL (Pager) #WEISS [UNKNOWN])

READ:UNKNOWN

TO: MICHAEL A. (Pager) #WALDMAN (MICHAEL A. (Pager) #WALDMAN [UNKNOWN])

READ:UNKNOWN

TO: Ruby Shamir (CN=Ruby Shamir/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Paul E. Begala (CN=Paul E. Begala/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Eleanor S. Parker (CN=Eleanor S. Parker/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Elena Kagan (CN=Elena Kagan/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Ann F. Lewis (CN=Ann F. Lewis/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Laura K. Capps (CN=Laura K. Capps/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: June G. Turner (CN=June G. Turner/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Kevin S. Moran (CN=Kevin S. Moran/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Maria Echaveste (CN=Maria Echaveste/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Marjorie Tarmey (CN=Marjorie Tarmey/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Lowell A. Weiss (CN=Lowell A. Weiss/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Michelle Crisci (CN=Michelle Crisci/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Michael Waldman (CN=Michael Waldman/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Anne H. Lewis (CN=Anne H. Lewis/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:23-SEP-1997 11:39:09.00

SUBJECT: Fast Track Materials for POTUS

TO: Lael Brainard (CN=Lael Brainard/OU=CEA/O=EOP @ EOP [CEA])

READ:UNKNOWN

TO: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

I need materials for POTUS briefing book for afl cio ASAP. Does he need anytning that's not off the shelf?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dag Vega (CN=Dag Vega/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:25-SEP-1997 11:25:40.00

SUBJECT: NPR: All Things Considered, 9/24/97

TO: Jennifer Ferguson (CN=Jennifer Ferguson/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

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NPR SHOW: ALL THINGS CONSIDERED
SEPTEMBER 24, 1997, WEDNESDAY (NPR 8:00 pm ET)

SECTION: News; Domestic
HEADLINE: Clinton at AFL-CIO
BYLINE: Eric Westervelt, Pittsburgh; Liane Hansen, Washington, DC

HIGHLIGHT:

NPR's Eric Westervelt reports that President Clinton got somewhat cool reception at the AFL-CIO convention in Pittsburgh, where the President touted his economic policies and advocated for authority to push through expansion of NAFTA.

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ROBERT SIEGEL, HOST: This is ALL THINGS CONSIDERED. I'm Robert Siegel.
LIANE HANSEN, HOST: And I'm Liane Hansen.
President Clinton today touted his economic policies and made a pitch for free trade before a skeptical crowd of union leaders gathered in Pittsburgh for

the

AFL-CIO's convention. The president said his administration has helped create

thousands of new jobs and he argued that opening up new markets is key to continued economic growth. But union members gave the president a cool reception now that the traditionally strong allies are at odds over the issue of trade deals.

NPR's Eric Westervelt reports from Pittsburgh.

ERIC WESTERVELT, NPR REPORTER: President Clinton has always had an uneasy relationship with organized labor. And in today's speech, he didn't side-step a

major area of disagreement: free trade and his push for presidential authority

to negotiate new deals which Congress can approve or disapprove but cannot amend.

A spattering of boos echoed in the convention hall as the president brought up

so-called "fast track" legislation. But he said his pro-worker policies, from

family leave to the minimum wage had, "earned him the right to be heard."

WILLIAM J. CLINTON, PRESIDENT OF THE UNITED STATES: I care about making sure

everybody has a chance and making sure nobody is left behind. But I can't build

a better future without the tools to do the job. And America can't lead if it's

bringing up the rear. At the moment of our greatest economic success in an entire generation, we

shouldn't be reluctant about the future, we ought to seize it and shape it.

WESTERVELT: But many in labor say trade deals like NAFTA lower workers wages at

home and abroad, encourage companies to much jobs south, and keep third world

workers mired in poverty. They want explicit provisions that countries will

protect workers and the environment; provisions enforced by the threat of trade sanction.

The president tried to reassure labor, saying job losses will be off-set by lower prices, new opportunities, and the helping hand of government.

CLINTON: Should we acknowledge that global trade can pull the rug out from some

of our people? Of course it could. At every period of economic changes in our

country's history, that has happened to people. The difference is that we have

to be committed to give more aid to do more for people who are suffering, who

are displaced, because nobody should be left behind in the global economy.

WESTERVELT: The president implored union members not to abandon the Democratic

Party over just one issue. But many union workers feel they were burned by democrats with the passage of NAFTA and they vowed and even bigger fight to stop

fast track expansion of the agreement to South American countries.

Inside, delegates were unimpressed by Clinton's words on fast track, and outside

the hall, union boilermakers Danny Castriana (ph) and Stan Wolf (ph) were among

two dozen protesting Clinton's stand on the issue.

SOUNDBITE OF A CROWD

DANNY CASTRIANA, UNION BOILERMAKER, PROTESTER: We got Mr. Clinton in here. We voted for Mr. -- we like Mr. Clinton, but we don't like what Mr. Clinton's doing.

STAN WOLF, UNION BOILERMAKER, PROTESTER: We need some decent paying, low-skilled jobs. You just can't ship 'em all south.

WESTERVELT: The president has support, though, from some in his own party, many Republicans, and the business community. They believe expanding NAFTA and creating new global trade blocks is the only way to keep the economy booming.

Mike Berutti (ph), with the National Association of Manufacturers, says unions

are out of the mainstream when it comes to free trade.

MIKE BERUTTI, NATIONAL ASSOCIATION OF MANUFACTURERS: The workers around the world who are paid less than American workers also produce

far less. We're the most productive work force in the world. I think the fact of the

matter is that in the last five years or more, certainly throughout the '90s, fully a third

of all of our economic growth has come from exports and expanded trade by American

companies with American workers.

WESTERVELT: Still, some union workers say they'll make opposition to fast track

a litmus test for Congress members wooing their support in next year's elections. They send an ominous warning to Democrats that union members stayed

away from the polls in droves in 1994, largely over NAFTA, which helped the Republicans gain control of Congress.

Eric Westervelt, NPR News, Pittsburgh.

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

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Message Creation Date was at 25-SEP-1997 11:25:00

NPR SHOW: ALL THINGS CONSIDERED
SEPTEMBER 24, 1997, WEDNESDAY (NPR 8:00 pm ET)

SECTION: News; Domestic
HEADLINE: Clinton at AFL-CIO
BYLINE: Eric Westervelt, Pittsburgh; Liane Hansen, Washington, DC

HIGHLIGHT:

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